

State: District of Columbia **Filing Company:** American United Life Insurance Company
TOI/Sub-TOI: H11G Group Health - Disability Income/H11G.004 Other
Product Name: Worksite Disability
Project Name/Number: /

Filing at a Glance

Company: American United Life Insurance Company
Product Name: Worksite Disability
State: District of Columbia
TOI: H11G Group Health - Disability Income
Sub-TOI: H11G.004 Other
Filing Type: Form
Date Submitted: 09/02/2015
SERFF Tr Num: AULD-130228196
SERFF Status: Pending State Action
State Tr Num:
State Status:
Co Tr Num: 3802 FORM
Implementation: 11/02/2015
Date Requested:
Author(s): Angie Neville, Danita Ragland-Hatton, Cathy Strong
Reviewer(s): Colin Johnson (primary)
Disposition Date:
Disposition Status:
Implementation Date:

State: District of Columbia
TOI/Sub-TOI: H11G Group Health - Disability Income/H11G.004 Other
Product Name: Worksite Disability
Project Name/Number: /

Filing Company: American United Life Insurance Company

General Information

Project Name: Status of Filing in Domicile: Authorized
Project Number: Date Approved in Domicile: 09/17/2014
Requested Filing Mode: Domicile Status Comments: Indiana is our domiciliary state.
Explanation for Combination/Other: Market Type: Group
Submission Type: New Submission Group Market Size: Small and Large
Group Market Type: Employer Overall Rate Impact:
Filing Status Changed: 09/04/2015
State Status Changed: Deemer Date:
Created By: Angie Neville Submitted By: Angie Neville
Corresponding Filing Tracking Number:

Filing Description:

Stephen C. Taylor
Commissioner of Insurance
Government of the District of Columbia
Department of Insurance and Securities Regulation
810 First Street, N.E., Suite 701
Washington, D.C. 20002

Re:Filing of Group Worksite Disability Insurance Forms
American United Life Insurance Company - NAIC #60895
Policy G 3802 and Certificate GC 3802
(See attached list for policy and certificate form numbers.)

Dear Commissioner Taylor:

Attached for approval are the above-referenced disability forms completed in "John Doe" fashion. These forms are new and do not replace any existing forms on file with your Department. This policy and certificate will be used with Application G-20355 approved by your Department on October 7, 2007 under SERFF Tracking No. AULD-125290430.

This Worksite Disability product provides disability income protection to employees should an employee become disabled. The product is designed with the flexibility to allow a producer to develop a plan or multiple plans with the employer to meet the needs of the employees. The product can be designed to offer short term or long term plans. The employee then chooses the plan that best suits his needs. Insured employees will pay premiums through payroll deductions. A copy of the certificate will be given to insured employees, outlining their coverage.

This product will be marketed to eligible groups through agents and brokers. Policies issued to eligible groups will be based upon the benefits chosen on the Application for Group Insurance. This product does not contain any new or unusual items from normal company or industry standards.

Variable language has been marked with brackets which generally indicate optional benefits or provisions. If the language is changed, it will never be less favorable than your state's laws allow. American United Life also reserves the right to change the color, font, sequential order and layout of the enclosed forms.

The rate filing for this product is under SERFF tracking number AULD-130228195 and is being file simultaneously with this

State: District of Columbia **Filing Company:** American United Life Insurance Company
TOI/Sub-TOI: H11G Group Health - Disability Income/H11G.004 Other
Product Name: Worksite Disability
Project Name/Number: /

form filing.

Please acknowledge the approval and receipt of these forms via SERFF.

Should you have any questions concerning this filing, please feel free to call me at 1-877-285-7660, ext. 1943 or e-mail me at productcompliance.corporatecompliance@oneamerica.com. Thank you for your assistance with this filing.

Sincerely,

Catherine S. Strong
Sr. Contract Analyst
Corporate Contracts and Compliance

Company and Contact

Filing Contact Information

Cathy Strong, Sr. Contract Analyst
One American Square
Indianapolis, IN 46206

Cathy.Strong@OneAmerica.com
317-285-1943 [Phone]
317-285-5510 [FAX]

Filing Company Information

American United Life Insurance
Company
One American Square
P.O. Box 7127
Indianapolis, IN 46206
(877) 285-7660 ext. [Phone]

CoCode: 60895
Group Code: 619
Group Name:
FEIN Number: 35-0145825

State of Domicile: Indiana
Company Type:
State ID Number:

Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

State:	District of Columbia	Filing Company:	American United Life Insurance Company
TOI/Sub-TOI:	H11G Group Health - Disability Income/H11G.004 Other		
Product Name:	Worksite Disability		
Project Name/Number:	/		

Correspondence Summary

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Colin Johnson	09/03/2015	09/03/2015
Pending Industry Response	Colin Johnson	09/03/2015	09/03/2015

Response Letters

Responded By	Created On	Date Submitted
Angie Neville	09/04/2015	09/04/2015
Angie Neville	09/04/2015	09/04/2015

State: District of Columbia **Filing Company:** American United Life Insurance Company
TOI/Sub-TOI: H11G Group Health - Disability Income/H11G.004 Other
Product Name: Worksite Disability
Project Name/Number: /

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	09/03/2015
Submitted Date	09/03/2015
Respond By Date	09/10/2015

Dear Cathy Strong,

Introduction:

Please review our D.C. 31-4725 & 31-4726 (flesch reading score) and include your certificate readability score on your forms not withstanding, applications, policies, certificates, amendments, enrollments and endorsements.

You may combine this document with the policy if it achieves a combined readability score of 40.

Conclusion:

Sincerely,
Colin Johnson

State: District of Columbia **Filing Company:** American United Life Insurance Company
TOI/Sub-TOI: H11G Group Health - Disability Income/H11G.004 Other
Product Name: Worksite Disability
Project Name/Number: /

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	09/03/2015
Submitted Date	09/03/2015
Respond By Date	09/10/2015

Dear Cathy Strong,

Introduction:

I can only officially approve this form filing after your corresponding rate filing is approved.

The revised D.C. Guaranty Life & HEALTH DISCLAIMER bulletin dated 10/03/14 is on our website. Please submit a red--line version of your revised bulletin by submitting your attachment under the "Supporting Documentation" tab.

Conclusion:

Sincerely,
Colin Johnson

State:	District of Columbia	Filing Company:	American United Life Insurance Company
TOI/Sub-TOI:	H11G Group Health - Disability Income/H11G.004 Other		
Product Name:	Worksite Disability		
Project Name/Number:	/		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	09/04/2015
Submitted Date	09/04/2015

Dear Colin Johnson,

Introduction:

Thank you for your review.

Response 1

Comments:

Attached is our certificate of readability.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Certificate of Readability
Comments:	
Attachment(s):	READCERT2.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Thank you, Angie Neville

Sincerely,

Angie Neville

State: District of Columbia **Filing Company:** American United Life Insurance Company
TOI/Sub-TOI: H11G Group Health - Disability Income/H11G.004 Other
Product Name: Worksite Disability
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	09/04/2015
Submitted Date	09/04/2015

Dear Colin Johnson,

Introduction:

Dear Mr. Johnson:

We are in receipt of your Objection Letter dated September 3, 2015.

Response 1

Comments:

In response to your comment regarding the D.C. Guaranty Life and Health Disclaimer, we have compared the Disclaimer that was attached to the Policy and Certificate submitted with our original Policy and Certificate on September 2 against the copy attached to the 10/03/14 bulletin on the DC website and we find them to be identical. If we have, in fact, overlooked something, please specify and we will be happy to make the change.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

We trust the above information satisfies all the concerns you have regarding this form filing. We understand that a final approval cannot be granted until our corresponding rate filing is approved and we look forward to receiving approvals on both filings in the near future. If you should have any further questions or need any additional information, please feel free to call me at 1-877-285-7660, ext. 1943 or send me an e-mail at productcompliance.corporatecompliance@oneamerica.com. Thank you for your assistance with this filing.

Sincerely,

Catherine S. Strong
Sr. Contract Analyst
Corporate Contracts and Compliance

Sincerely,
Angie Neville

State:	District of Columbia	Filing Company:	American United Life Insurance Company
TOI/Sub-TOI:	H11G Group Health - Disability Income/H11G.004 Other		
Product Name:	Worksite Disability		
Project Name/Number:	/		

Form Schedule

Lead Form Number: 3802								
Item No.	Schedule Item Status	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments
1		Policy	G 3802	POL	Initial		50.200	DC Worksite Disability Policy (08-31-15).pdf
2		Certificate	GC 3802	CER	Initial		50.200	DC Worksite Disability Certificate (08-31-15).pdf

Form Type Legend:

ADV	Advertising	AEF	Application/Enrollment Form
CER	Certificate	CERA	Certificate Amendment, Insert Page, Endorsement or Rider
DDP	Data/Declaration Pages	FND	Funding Agreement (Annuity, Individual and Group)
MTX	Matrix	NOC	Notice of Coverage
OTH	Other	OUT	Outline of Coverage
PJK	Policy Jacket	POL	Policy/Contract/Fraternal Certificate
POLA	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	SCH	Schedule Pages

**AMERICAN UNITED LIFE INSURANCE COMPANY®
INDIANAPOLIS, INDIANA 46206-0368**

In consideration of the Application for this policy made by:

[ABC Company]

(Hereinafter called the Policyholder)

and of the payment of all premiums when due, American United Life Insurance Company® (AUL) agrees to insure certain individuals who are or become entitled to insurance under the terms and conditions of this policy and to pay to those insured individuals the benefits owed under this policy.

This Policy Number is [XXXXXX]. The Policyholder's Effective Date is [MM/DD/YYYY]. The first premium is due on the Effective Date of this policy. Subsequent premiums are due each succeeding Policy Month. The Policyholder's Anniversary date is [MM/DD] of each year.

[The first Policy Month begins on the [first] day of [January] and ends on the [last] day of [January].] [The first Policy Month begins on the [XX] day of [XXXX] and ends on the [XX] day of [XXXX]. The second Policy Month begins on the [XX] day of [XXXX] and ends on the [XX] day of [XXXX].] Each succeeding Policy Month runs for a similar period thereafter.

The provisions on the following pages are considered a part of this policy. This policy is executed by AUL at its Home Office in Indianapolis, Indiana and coverage takes effect on the Policyholder's Effective Date.

[By-law, Art. II, Sec. 2: The regular annual meeting of the members of this Corporation shall be held at its principal place of business on the third Thursday in February of each year at ten o'clock A.M. local time or at such other location, place, or time as may be designated by the Board of Directors. The elections of directors shall be held at the annual meeting.]



[Thomas M. Zurek
Secretary]



[J. Scott Davison, President and
Chief Executive Officer]

**GROUP WORKSITE DISABILITY INSURANCE
POLICY - [LONG][SHORT] TERM**

TABLE OF CONTENTS

[PROVISIONS	SECTION
Schedule of Benefits	1
Definitions	2
Eligibility, Enrollment and Individual Effective Date of Insurance	3
Changes in Insurance	4
Terminations	5
Individual Reinstatement	5A
Continuation of Personal Insurance under FMLA	5B
Continuation of Personal Insurance During a [Leave of Absence][,][and][Sabbatical][,][and] [Temporary Layoff]	5C
Continuation of Personal Insurance During a Leave of Absence for Active Military Service	5D
Premium Payment	6
General Policy Provisions	7
Claim Procedures	7A
Insuring Provisions	8
Exclusions	9
Drug and Alcohol Abuse Limitation	10
Special Conditions Limitation	11
Mental Illness Limitation	12
Continuity of Coverage	13
Portability Privilege	14
Cost of Living Adjustment Benefit	15
Mandatory Rehabilitation Program	16
Vocational Rehabilitation Program	16A
Workplace Modification Benefit	17

TABLE OF CONTENTS
(continued)

Family Care Benefit	18
Supplemental Disability Benefit	19
Education Expense Benefit	20
401(k), 403(b) or 457 Contribution Benefit	21
Cobra Premium Disability Benefit	22
Spouse Disability Benefit	23]

SECTION 1 - SCHEDULE OF BENEFITS

[ELIGIBLE CLASS	Full-Time Employees]
[CLASS NUMBER	01]
[OPTION NUMBER	01]
REQUIREMENT FOR FULL-TIME EMPLOYEES	[[30] [contract] hours or more [per week][bi-weekly][per month][per quarter][semi-annually][annually]. See Section 3.] <i>OR</i> [[1-365 day[s]][1-12 month[s]][1-52 week[s]] or more per year. See Section 3.] <i>OR</i> [[1-365 day[s]][1-12 month[s]][1-52 week[s]] or more averaged over [2-52 weeks][2-365 days][1-36 month[s]][1-5 year[s]]. See Section 3.] <i>OR</i> [[30] [contract] hours or more [per week] [bi-weekly][per month][per quarter][semi-annually][annually] averaged over [2-52 weeks][1-36 month[s]][2-365 days][1-5 year[s]][1-4 quarter[s]]. See Section 3.] [Employees who are contracted full-time for the entire school year are considered as Full-Time Employees during the school summer break months when they are not Actively at Work.]
[ACCIDENTAL DISMEMBERMENT & LOSS OF SIGHT	This benefit is [not] included for this class. See Section 8.]
ANNUAL INCREASE IN BENEFIT (AIB) [AIB AMOUNT	This benefit is [not] included for this class. See Section 4. [[\$5-\$10,000] [Monthly][Weekly]] [Next higher [Monthly][Weekly] Benefit Option]

SECTION 1 - SCHEDULE OF BENEFITS (continued)

[Class 01-Option 01]

BASIC [MONTHLY][WEEKLY] EARNINGS DESCRIPTION

[For Sub-Chapter S-Corporation Shareholders: See Section 2.]

[For Principals of a Partnership: See Section 2]

[For Sole Proprietors: See Section 2]

[For all other Employees:]

[[BME][BWE] [Including] [Without] Plan Contributions and No Commissions or Bonuses. See Section 2.]

[[BME][BWE] [Including] [Without] Plan Contributions and Including Commissions but No Bonuses, averaged for [1-5 Year[s]] [6-36 Months][24-156 Weeks]. See Section 2.]

[[BME][BWE] [Including] [Without] Plan Contributions and Including Bonuses but No Commissions, averaged for [1-5 Year[s]] [6-36 Months][24-156 Weeks]. See Section 2.]

[[BME][BWE] [Including] [Without] Plan Contributions and Including Commissions and Bonuses, averaged for [1-5 Year[s]][6-36 Months][24-156 Weeks]. See Section 2.]

[W-2 Earnings [Including] [Without] Plan Contributions. See Section 2.]

[Teacher's [BME] [BWE]. See Section 2.]

[Prior School Plan Year. See Section 2.]

[1099 Employee. See Section 2.]

[[BME][BWE] [Including] [Without] Plan Contributions and Including Overtime. See Section 2.]

CHANGES IN INSURANCE

[Immediate][First of the Month][Policyholder's Anniversary Date]. See Section 4.

[COBRA PREMIUM DISABILITY BENEFIT

This benefit is [not] included for this class. See Section 22.]

[CONTINUATION OF PERSONAL INSURANCE UNDER THE FAMILY AND MEDICAL LEAVE ACT (FMLA)

This benefit is [not] included for this class. See Section 5B.]

[CONTINUATION OF PERSONAL INSURANCE DURING A [LEAVE OF ABSENCE][,][AND][SABBATICAL][,][AND] [TEMPORARY LAYOFF]

This benefit is [not] included for this class. See Section 5C.]

[CONTINUATION OF PERSONAL INSURANCE DURING A LEAVE OF ABSENCE FOR ACTIVE MILITARY DUTY

This benefit is [not] included for this class. See Section 5D.]

[CONTINUITY OF COVERAGE

This benefit is [not] included for this class. See Section 13.]

[COST OF LIVING ADJUSTMENT BENEFIT DURATION PERCENTAGE

This benefit is [not] included for this class. See Section 15.
[None][5 years][10 years][To age 65][Duration of coverage]
The lesser of CPI (Consumer Price Index) or [1/2%-5%].
See Section 15.

SECTION 1 - SCHEDULE OF BENEFITS (continued)

[Class 01-Option 01]

COVERED [MONTHLY][WEEKLY] EARNINGS

The amount of the Person's income in U.S. dollars received from the Policyholder that is insured by this policy. This amount will be the LESSER of:

- 1) the Basic [Monthly][Weekly] Earnings; or
- 2) the Maximum [Monthly][Weekly] Benefit[divided by the benefit percentage shown on the Schedule of Benefits].

[DRUG AND ALCOHOL LIMITATION

This benefit is [not] included for this class. See Section 10.]

[EDUCATION EXPENSE BENEFIT

This benefit is [not] included for this class. See Section 20.]

ELIMINATION PERIOD

[The longer of the period of Salary Continuance that is [available][received], or]

INJURY

[0-730 days] [1-2 years]. See Section 2.

SICKNESS

[0-730 days] [1-2 years]. See Section 2.

[ACCUMULATION OF ELIMINATION PERIOD

This benefit is [not] included for this class. See Section 8.]

[FIRST DAY HOSPITAL

If a Person is Totally Disabled and hospital confined for 24 hours or more with room and board charges [or requires Outpatient Surgery] during the Elimination Period due to an Injury or Sickness resulting in a covered Disability, benefits are payable from the first day of that confinement.]

[FAMILY CARE BENEFIT

This benefit is [not] included for this class. See Section 18.]

[FAMILY STATUS CHANGE

This benefit is [not] included for this class. See Section 4.]

GUARANTEED ISSUE AMOUNT [LATE ENROLLEE

[\$0-\$25,000.] See Section 2.

The Lesser of:

- 1) [5%-90%] of Pre-Disability Earnings; or
- 2) [\$0-\$25,000.]] See Section 3.]

INDIVIDUAL EFFECTIVE DATE INITIAL EMPLOYEES

Policyholder's Effective Date if the Employee has satisfied his Waiting Period on or before said date, otherwise [immediately following the Waiting Period][the first day of the Coverage Month following the Initial Enrollment Period][the Policyholder's Anniversary Date following the Initial Enrollment Period][the First day of the Coverage Month following the Scheduled Enrollment Period]. See Section 3

NEW EMPLOYEES

[Immediately following the Waiting Period.][First day of the Coverage Month following the Initial Enrollment Period.][Policyholder's Anniversary Date following the Initial Enrollment Period.][First day of the Coverage Month following the Scheduled Enrollment Period.] See Section 3.

SECTION 1 - SCHEDULE OF BENEFITS (continued)

[Class 01-Option 01]

INDIVIDUAL REINSTATEMENT	Application must be made within [[30][60][90][120][180][360][365] days][1-52 week[s]][1-12 month[s]][1-5 year[s]] from termination date. Effective [immediately][first day of the Coverage Month]. See Section 5A.
INDIVIDUAL TERMINATIONS	[Immediate][End of the month]. See Section 5.
[INITIAL ENROLLMENT PERIOD INITIAL EMPLOYEES NEW EMPLOYEES	Between MM/DD/YYYY and MM/DD/YYYY. [[[30] days following the Employee's Eligibility Date.][The Scheduled Enrollment Period beginning on the Employee's Eligibility Date.] See Section 3.]
[MANDATORY REHABILITATION PROGRAM	This benefit is [not] included for this class. See Section 16.]

[MAXIMUM BENEFIT DURATION - 65/5/70 [[-FOR INJURY] [AND] [[-] FOR SICKNESS]]

Age When Total Disability Begins

Less Than Age 65
65-68
69 and over

Maximum Duration

Greater of: SSFRA* or 5 Years
Lesser of: 5 Years or to Age 70
1 Year]

[MAXIMUM BENEFIT DURATION - 2 YEARS TO AGE 70 [[-FOR INJURY] [AND] [[-] FOR SICKNESS]]

Age When Total Disability Begins

Less Than Age 68
68
69 And Over

Maximum Duration

2 Years
To Age 70
1 Year]

[MAXIMUM BENEFIT DURATION - 3 YEARS TO AGE 70 [[-FOR INJURY] [AND] [[-] FOR SICKNESS]]

Age When Total Disability Begins

Less Than Age 67
67-68
69 and over

Maximum Duration

3 Years
To Age 70
1 Year]

SECTION 1 - SCHEDULE OF BENEFITS (continued)

[Class 01-Option 01]

[MAXIMUM BENEFIT DURATION - 5 YEAR SSFRA [-FOR INJURY] [AND] [-] FOR SICKNESS]

Age When Total Disability Begins	Maximum Duration
Less Than Age 61	5 Years
61	Lesser of: SSFRA* or 5 Years
	Greater of: SSFRA* or
62	3.5 Years
63	3 Years
64	2.5 Years
65	2 Years
66	21 Months
67	18 Months
68	15 Months
69 and over	12 Months]

[MAXIMUM BENEFIT DURATION - 10 YEAR SSFRA [-FOR INJURY] [AND] [-] FOR SICKNESS]

Age When Total Disability Begins	Maximum Duration
Less Than Age 56	10 Years
56	Lesser of: SSFRA* or 10 Years
57-61	SSFRA*
	Greater of: SSFRA* or
62	3.5 Years
63	3 Years
64	2.5 Years
65	2 Years
66	21 Months
67	18 Months
68	15 Months
69 and over	12 Months]

[MAXIMUM BENEFIT DURATION – SSFRA [-FOR INJURY] [AND] [-] FOR SICKNESS]

Age When Total Disability Begins	Maximum Duration
	Greater of: SSFRA* or
Less than Age 60	To Age 65
60	5 Years
61	4 Years
62	3.5 Years
63	3 Years
64	2.5 Years
65	2 Years
66	21 Months
67	18 Months
68	15 Months
69 and over	12 Months]

[*SSFRA means the Social Security Full Retirement Age as figured by the 1983 amendment or any later amendment to the Social Security Act.]

SECTION 1 - SCHEDULE OF BENEFITS (continued)

[Class 01-Option 01]

[MAXIMUM BENEFIT DURATION - REDUCING BENEFIT DURATION [[-FOR INJURY] [AND] [[-] FOR SICKNESS]]

Age When Total Disability Begins

Less than Age 60

60

61

62

63

64

65

66

67

68

69 and over

Maximum Duration

To Age 65

5 Years

4 Years

3.5 Years

3 Years

2.5 Years

2 Years

21 Months

18 Months

15 Months

12 Months]

[MAXIMUM BENEFIT DURATION

[INJURY]

[SICKNESS]

[[1-104 weeks] [1-2 year[s]]. See Section 2.]

[[1-104 weeks] [1-2 year[s]]. See Section 2.]]

MAXIMUM [MONTHLY] [WEEKLY] BENEFIT

[\$25-\$25,000.] See Section 2.

[MEDICAL TREATMENT BENEFIT

This benefit is [not] included for this class. See Section 8.]

[MENTAL ILLNESS LIMITATION

This benefit is [not] included for this class. See Section 12.]

[MINIMUM [MONTHLY] [WEEKLY] BENEFIT

[\$25-\$1,000.][The greater of [10%-15%] of the Gross [Monthly] [Weekly] Benefit or [\$25-\$1,000.]] See Section 8.]

MONTHLY BENEFIT

[The Maximum Monthly Benefit of [\$50-\$25,000], as elected in increments of [\$5-\$1,000], not to exceed [10%-100%] of the Person's Basic Monthly Earnings.]

[A benefit amount equal to [\$50-\$25,000], not to exceed [10%-100%] of Basic Monthly Earnings.]

[A flat benefit amount equal to [\$50-\$25,000].

[[10%-70%] of Basic Monthly Earnings not to exceed Maximum Monthly Benefit of [\$50-\$10,000].]

[The Monthly Benefit will be reduced by Other Income Benefits.]

[A Person who is currently enrolled and Actively at Work may increase his Monthly Benefit annually during an AUL approved enrollment period.]

See Section 8.

SECTION 1 - SCHEDULE OF BENEFITS (continued)

[Class 01-Option 01]

[OCCUPATIONAL INJURY OR SICKNESS	[Non-Occupational][24 Hour Coverage]. See Section 2.]
[ORGAN DONOR TRANSPLANT BENEFIT	This benefit is [not] included for this class. See Section 8.]
[OTHER INCOME BENEFITS	[Does not apply][Applies] to this class. See Section 2.]
[PARTIAL DISABILITY	This benefit is [not] included for this class. See Section 8.]
[POLICY MONTH	A period that begins on the [first][1 st – 31 st] day of the month and ends on the [last][1 st – 31 st] day of the month. Each succeeding Policy Month runs for a similar period thereafter.]
[PORTABILITY PRIVILEGE	This benefit is [not] included for this class. See Section 14.]
PRE-EXISTING CONDITION DURATION	[None][30/5][5 day][3/6][3/12][6/12][6/24][3/3/12][6/6/12] [12/6/12][6/6/24][12/6/24][12/12/24][30/30][12/12][6/12/24][3/6/12] [3/12/12][12/12/12][6/12/12][12/24]. See Section 9.
RECURRENT DISABILITY	[14-120] days][3-6 months]. See Section 8.
[RESIDUAL BENEFIT	This benefit is [not] included for this class. See Section 8.]
[RETURN TO WORK	This benefit is [not] included for this class. See Section 8.]
[SCHEDULED ENROLLMENT PERIOD	A period of time chosen by the Policyholder and approved by AUL. See Section 3.]
[SOCIAL SECURITY INCENTIVE	[1–12] month[s]. See Section 8.]
[SOCIAL SECURITY INTEGRATION PERCENTAGE	[None][Direct Primary][Direct Full Family][All Sources]. [60%][70%]. See Section 8.]
[SPOUSE DISABILITY BENEFIT	This benefit is [not] included for this class. See Section 23.]
[SPECIAL CONDITIONS LIMITATION	This benefit is [not] included for this class. See Section 11.]
[SUPPLEMENTAL DISABILITY BENEFIT	This benefit is [not] included for this class. See Section 19.]
[SURVIVOR BENEFIT [ADVANCED SURVIVOR BENEFIT	[3 months.] [6 months.] See Section 8. [[[1-2] year[s].] [[12-24] months.] See Section 8.]
[TOTAL BENEFIT CAP	If a Person is eligible to receive benefits under this policy in addition to the [Monthly][Weekly] Benefit, the total benefit payable to the Person on a [monthly][weekly] basis (including all benefits provided under this policy) will not exceed [100%-120%] of the Person's Basic [Monthly][Weekly] Earnings.]

SECTION 1 - SCHEDULE OF BENEFITS (continued)

[Class 01-Option 01]

TOTAL DISABILITY DEFINITION	[Regular Occupation][Regular Job][Any Occupation][[1-10] year Regular [Occupation][Job]; Any Occupation thereafter]. See Section 2.
[VOCATIONAL REHABILITATION PROGRAM (VOLUNTARY)	This benefit is [not] included for this class. See Section 16A.]
[VOCATIONAL REHAB BENEFIT	This benefit is [not] included for this class. See Section 16A]
WAITING PERIOD	[0-360][days, months, years] See Section 2.
[WAIVER OF PREMIUM	This benefit is [not] included for this class. See Section 6.]
[WEEKLY BENEFIT	[The Maximum Weekly Benefit of [\$50-\$5,000], as elected in increments of [\$5-\$1,000], not to exceed [10%-100%] of the Person's Basic Weekly Earnings.] [A benefit amount equal to [\$50-\$2,000], not to exceed [10%-100%] of Basic Weekly Earnings.] [A flat benefit amount equal to [\$50-\$2,000]. [[10%-70%] of Basic Weekly Earnings not to exceed Maximum Weekly Benefit of [\$50-\$2,000].] [The Weekly Benefit will be reduced by Other Income Benefits.] [A Person who is currently enrolled and Actively at Work may increase his Weekly Benefit annually during an AUL approved enrollment Period.] See Section 8.]
[WORKPLACE MODIFICATION BENEFIT	This benefit is [not] included for this class. See Section 17.]
[401(k), or 403(b) or 457 CONTRIBUTION BENEFIT	This benefit is [not] included for this class. See Section 21.]

SECTION 2 - DEFINITIONS

[ACTIVE PAY STATUS means the Person is receiving pay from the Policyholder and pay includes, but is not limited to, vacation leave, sick leave, bereavement leave, administrative leave, Compensatory Time, holidays, and personal leave. Active Pay Status would not apply to a Person who is terminated as a result of performing a wrongful act.]

ACTIVE WORK and ACTIVELY AT WORK means the use of time and energy in the services of the Policyholder at the regular place of employment, or an alternative worksite as approved by the Policyholder and AUL, by a Person who is physically and mentally capable of performing each of the Material and Substantial duties of his [Regular Occupation] [Regular Job] and who is a Full-Time Employee. If the alternative worksite is located outside of the United States or Canada, the Person will be considered to be Actively at Work unless the Person is outside of the United States or Canada for more than [6] months in any [12] month period. [A Person in Active Pay Status will be considered Actively at Work.] Active Work does not include periods of time when an Employee is not Actively at Work following an Injury, accidental bodily injury, Sickness, strike, lock-out, or Temporary Layoff[, unless the Person is in Active Pay Status].

This includes time off for vacation, jury duty, paid holidays, and funeral leave, where the Person could have been Actively at Work on that day.

[ANNUAL INCREASE IN BENEFIT (AIB) means an additional amount of coverage that may be available to a Person annually if certain specified conditions are met.]

[ANY OCCUPATION means a Person's occupation for which he receives remuneration.]

SECTION 2 - DEFINITIONS

BASIC [MONTHLY][WEEKLY] EARNINGS [(BME)][(BWE)] means the definition equivalent to the Person's earnings as reported to the IRS from one of the following options

[SUB-CHAPTER S-CORPORATION SHAREHOLDER EARNINGS]

For sub-chapter S corporation shareholders: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars before taxes, received from the Policyholder. Gross income is based on the amount as last reported to AUL in writing by the Policyholder and approved in writing by AUL, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability and is further based on:

- 1) [the [monthly][weekly] average of the Person's gross income on his last reported Federal IRS W-2 Form shown as wages, tips, and other compensation. Earnings [include] [do not include] pre-tax contributions to an employer-sponsored defined contribution plan and a cafeteria plan, if any. If the Person has not worked long enough to receive a Federal IRS W-2 Form from the Policyholder, gross [monthly][weekly] income will be the [monthly][weekly] average of the last amount of gross income reported to AUL in writing by the Policyholder for which premiums were paid and the coverage amount was approved in writing by AUL; and]
- 2) [shareholder earnings reported as ordinary income (loss) for trade or business activities on the Sub S corporation's Federal IRS Tax Form Schedule K-1 1120S, or similar form acceptable to AUL, averaged for the LESSER of:
 - a) the most recent [2][3] years; or
 - b) the period that the Person has been a shareholder].

The last reported earnings should be adjusted annually upon completion of the tax form, a copy of which should be submitted to AUL. AUL will use the earnings amount last reported in writing, for which premiums were paid, and the coverage amount was approved by AUL in writing before the Person's Date of Disability.]

[PARTNERSHIP EARNINGS]

For principals of a partnership: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars before taxes, received from the Policyholder, not to exceed a maximum workweek of [40] hours including Partnership Earnings. Gross income is based on the amount as last reported to AUL in writing by the Policyholder and approved in writing by AUL, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include income received from commissions, bonuses, overtime, or expense accounts.

Partnership Earnings will be the [monthly][weekly] average of the amount shown as "net earnings (loss) from self-employment" from Schedule K-1 of the partnership federal income tax return for the LESSER of:

- 1) the [2][3] most recent years; or
- 2) the total number of months the Person was a partner, if the Person was not a partner for the entire [2][3] years.

The reported earnings should be adjusted annually upon completion of the tax form, a copy of which should be submitted to AUL. AUL will use the earnings amount last reported and approved in writing by AUL before the Person's Date of Disability.]

SECTION 2 - DEFINITIONS

[SOLE PROPRIETOR EARNINGS]

For sole proprietors: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's annual net profit in U.S. dollars averaged for the LESSER of:

- 1) the [2][3] most recent years; or
- 2) the period that the Person has been a sole proprietor.

Gross income is based on the amount as last reported to AUL in writing by the Policyholder and approved in writing by AUL, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings are based upon the number taken from Schedule C of Federal IRS Form 1040 for the [monthly][weekly] average of [2][3] business years immediately prior to reporting. The reported earnings should be adjusted annually following completion of the appropriate tax form, a copy of which should be submitted to AUL. AUL will use the net profit amount last reported in writing, for which premiums were paid and the coverage amount was approved in writing by AUL before the Person's Date of Disability.]

SECTION 2 - DEFINITIONS

BASIC [MONTHLY][WEEKLY] EARNINGS [(BME)][(BWE)] means the definition of the Person's earnings as chosen by the Policyholder on the Application from one of the following options:

[[BME]][BWE] INCLUDING PLAN CONTRIBUTIONS AND NO COMMISSIONS OR BONUSES

For all other Employees: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly] [weekly] income includes pre-tax contributions to an employer sponsored defined contribution plan and a cafeteria plan, if any. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include income received from commissions, bonuses, overtime, or expense accounts.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

[[BME]][BWE] WITHOUT PLAN CONTRIBUTIONS AND NO COMMISSIONS OR BONUSES

For all other Employees: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly][weekly] income does not include pre-tax contributions to an employer sponsored defined contribution plan or a cafeteria plan. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include income received from commissions, bonuses, overtime, or expense accounts.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

[[BME]][BWE] INCLUDING PLAN CONTRIBUTIONS AND COMMISSIONS, BUT NO BONUSES

For all other Employees: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly][weekly] income includes pre-tax contributions to an employer sponsored defined contribution plan and a cafeteria plan, if any. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings include income received from commissions, but not bonuses, overtime or expense accounts.

Commissions will be averaged for the [[6][12][24][36] months][[24][52][104][156] weeks] or other number of [months][weeks] as elected on the Application and as last reported to AUL in writing by the Policyholder and approved in writing by AUL before the Date of Disability. If the Person is actually employed less than the number of [months][weeks] elected, the commission will be averaged for the total number of [months][weeks] he was employed by the Policyholder. Any commission payments that continue after Disability begins will not be considered as part of the Basic [Monthly][Weekly] Earnings. Commissions do not include arbitrary commissions not directly related to the Person's production.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

SECTION 2 - DEFINITIONS

[[BME]][BWE] WITHOUT PLAN CONTRIBUTIONS AND INCLUDING COMMISSIONS, BUT NO BONUSES

For all other Employees: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly][weekly] income does not include pre-tax contributions to an employer sponsored defined contribution plan or a cafeteria plan. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings include income received from commissions, but not bonuses, overtime or expense accounts.

Commissions will be averaged for the [[6][12][24][36] months][[24][52][104][156] weeks] or other number of [months][weeks] as elected on the Application and as last reported to AUL in writing by the Policyholder and approved in writing by AUL before the Date of Disability. If the Person is actually employed less than the number of [months][weeks] elected, the commission will be averaged for the total number of [months][weeks] he was employed by the Policyholder. Any commission payments that continue after Disability begins will not be considered as part of the Basic [Monthly][Weekly] Earnings. Commissions do not include arbitrary commissions not directly related to the Person's production.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

[[BME]][BWE] INCLUDING PLAN CONTRIBUTIONS AND BONUSES, BUT NO COMMISSIONS

For all other Employees: BASIC [MONTHLY][WEEKLY] EARNINGS means a Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly][weekly] income includes pre-tax contributions to an employer sponsored defined contribution plan and a cafeteria plan, if any. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings include income received from bonuses, but not commissions, overtime, or expense accounts.

Bonuses will be averaged for the [[6][12][24][36] months][[24][52][104][156] weeks] or other number of [months][weeks] as elected on the Application and as last reported to AUL in writing by the Policyholder and approved by AUL before the Date of Disability. If the Person is actually employed less than the number of [months][weeks] elected, the bonuses will be averaged for the total number of [months][weeks] he was employed by the Policyholder. Any bonus payments that continue after Disability begins will not be considered as part of the Basic [Monthly][Weekly] Earnings.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

SECTION 2 - DEFINITIONS

[[BME]][BWE] WITHOUT PLAN CONTRIBUTIONS AND INCLUDING BONUSES, BUT NO COMMISSIONS

For all other Employees: BASIC [MONTHLY][WEEKLY] EARNINGS means a Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly][weekly] income does not include pre-tax contributions to an employer sponsored defined contribution plan or a cafeteria plan. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings include income received from bonuses, but not commissions, overtime, or expense accounts.

Bonuses will be averaged for the [[6][12][24][36] months][[24][52][104][156] weeks] or other number of [months] [weeks] as elected on the Application and as last reported to AUL in writing by the Policyholder and approved by AUL before the Date of Disability. If the Person is actually employed less than the number of [months][weeks] elected, the bonuses will be averaged for the total number of [months][weeks] he was employed by the Policyholder. Any bonus payments that continue after Disability begins will not be considered as part of the Basic [Monthly][Weekly] Earnings.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

[[BME]][BWE] INCLUDING PLAN CONTRIBUTIONS, COMMISSIONS AND BONUSES

For all other Employees: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly][weekly] income includes pre-tax contributions to an employer sponsored defined contribution plan and a cafeteria plan, if any. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings include income received from commissions and bonuses, but not overtime or expense accounts.

Commissions and bonuses will be averaged for the [[6][12][24][36] months][[24][52][104][156] weeks] or other number of [months][weeks] as elected on the Application and as last reported to AUL in writing by the Policyholder and approved by AUL before the Date of Disability. If the Person is actually employed less than the number of [months][weeks] elected, the commissions and bonuses will be averaged for the total number of [months][weeks] he was employed by the Policyholder. Any commission or bonus payments that continue after Disability begins will not be considered as part of the Basic [Monthly][Weekly] Earnings. Commissions do not include arbitrary commissions not directly related to the Person's production.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

SECTION 2 - DEFINITIONS

[[BME]][BWE]WITHOUT PLAN CONTRIBUTIONS AND INCLUDING COMMISSIONS AND BONUSES

For all other Employees: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly][weekly] income does not include pre-tax contributions to an employer sponsored defined contribution plan or a cafeteria plan. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings include income received from commissions and bonuses, but not overtime or expense accounts.

Commissions and bonuses will be averaged for the [[6][12][24][36] months] [[24][52][104][156] weeks] or other number of [months][weeks] as elected on the Application and as last reported to AUL in writing by the Policyholder and approved by AUL before the Date of Disability. If the Person is actually employed less than the number of [months][weeks] elected, the commissions and bonuses will be averaged for the total number of [months][weeks] he was employed by the Policyholder. Any commission or bonus payments that continue after Disability begins will not be considered as part of the Basic [Monthly][Weekly] Earnings. Commissions do not include arbitrary commissions not directly related to the Person's production.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

[W-2 EARNINGS INCLUDING PLAN CONTRIBUTIONS

For all other Employees: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder. Gross [monthly][weekly] income is based on the [monthly][weekly] average of the Person's gross income on his last reported Federal IRS W-2 Form shown as wages, tips and other compensation. Gross income is based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings include pre-tax contributions to an employer sponsored defined contribution plan and a cafeteria plan, if any.

If the Person has not worked long enough to receive a Federal IRS W-2 Form from the Policyholder, gross [monthly][weekly] income will be the [monthly][weekly] average of the last amount of gross income reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL.]

[W-2 EARNINGS WITHOUT PLAN CONTRIBUTIONS

For all other Employees: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder. Gross [monthly][weekly] income is based on the [monthly][weekly] average of the Person's gross income on his last reported Federal IRS W-2 Form shown as wages, tips, and other compensation. Gross income is based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include pre-tax contributions to an employer sponsored defined contribution plan or a cafeteria plan.

If the Person has not worked long enough to receive a Federal IRS W-2 Form from the Policyholder, gross [monthly][weekly] income will be the [monthly][weekly] average of the last amount of gross income reported to AUL in writing by the Policyholder for which premiums were paid and the coverage amount was approved in writing by AUL]

SECTION 2 - DEFINITIONS

[TEACHER'S [BME][BWE]

For all other Employees: BASIC [MONTHLY][WEEKLY] EARNINGS means [1/12][1/52] of the Person's annual gross income in U.S. dollars, before taxes, received from the Policyholder. This includes pre-taxed contributions to an employer sponsored defined contribution plan and cafeteria plans, if any. Gross annual income is based on the amount as last reported in writing to AUL by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include income received from expense accounts.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

[PRIOR SCHOOL PLAN YEAR]

For all other Employees: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed the Person's earnings received in the school plan year immediately prior to the current school plan year. Gross [monthly][weekly] income includes pre-tax contributions to an employer sponsored defined contribution plan and a cafeteria plan, if any. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include income received from commissions, bonuses, overtime pay, or expense accounts.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12] [1/52] of the annual gross income.]

[1099 EMPLOYEE]

For all other Employees: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder. Gross [monthly][weekly] income is based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved by AUL in writing, before the Date of Disability. If Integration with Other Income Benefits is not elected in the Application, then earnings include only compensation lost due to Disability.

The earnings will be the [monthly][weekly] average of the earnings reported as Nonemployee Compensation on Form 1099-MISC, or similar form acceptable to AUL, averaged for the LESSER of:

- 1) the most recent [2][3] years; or
- 2) the period that the Person has received Nonemployee Compensation from the Policyholder.

The reported earnings should be adjusted annually upon completion of the appropriate tax form and a copy should be submitted to AUL. AUL will use the earnings amount last reported in writing, for which premiums were paid, and the coverage amount was approved by AUL in writing before the Person's Date of Disability.]

SECTION 2 – DEFINITIONS

[[BME]][BWE] INCLUDING PLAN CONTRIBUTIONS AND OVERTIME

For all other Employees: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder. Gross [monthly][weekly] income includes pre-tax contributions to an employer sponsored defined contribution plan and a cafeteria plan, if any. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include income received from commissions, bonuses, or expense accounts.

Overtime pay is defined as earnings paid by the Policyholder for services beyond the normal scheduled work hours.

Overtime pay will be averaged for the lesser of:

- 1) [52 week][12 month] period of the Person's employment with the Policyholder just prior to the Person's Date of Disability; or
- 2) The period of the Person's actual employment with the Policyholder.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

[[BME]][BWE] WITHOUT PLAN CONTRIBUTIONS AND INCLUDING OVERTIME

For all other Employees: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the. Gross [monthly] [weekly] income does not include pre-tax contributions to an employer sponsored defined contribution plan or a cafeteria plan. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include income received from commissions, bonuses, or expense accounts.

Overtime pay is defined as earnings paid by the Policyholder for services beyond the normal scheduled work hours.

Overtime pay will be averaged for the lesser of:

- 1) [52 week] [12 month] period of the Person's employment with the Policyholder just prior to the Person's Date of Disability; or
- 2) The period of the Person's actual employment with the Policyholder.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

SECTION 2 – DEFINITIONS

CHILD(REN) means a minor related by blood, marriage or court order that can be claimed as a dependent for federal income tax purposes, such as:

- 1) natural born child(ren) of the Person;
- 2) legally adopted child(ren) of the Person from the time of placement in the Person's home and the filing of documents with the court to adopt;
- 3) stepchild(ren) who lives with the Person; and
- 4) child(ren) for whom the Person has legal guardianship.

COMPENSATORY TIME means time off with pay in lieu of overtime pay for regularly scheduled or irregular or occasional overtime work.

CONSUMER PRICE INDEX (CPI) means the statistical measure of the average change in prices figured by the United States Dept. of Labor, Bureau of Labor Statistics. The percent change in the Consumer Price Index for all Urban Consumers (CPI-U); U.S. City Average for All Items, for the prior calendar year will be used in calculations. If the CPI is discontinued or if its method of computation is significantly changed, AUL may use another comparable index.

COSMETIC SURGERY means surgery that is performed to change the texture, shape or structure of any part of the human body for the purpose of creating a different visual appearance.

COVERAGE MONTH means that period of time beginning on the Person's Individual Effective Date, and continuing from the first day and ending on the last day of each succeeding Policy Month.

CURRENT [MONTHLY] [WEEKLY] INCOME means the income a Person receives while Disabled, plus the income the Person could receive if he were working to his Maximum Capacity. [Current [Monthly][Weekly] Income does not include income from Salary Continuance.] [Current [Monthly][Weekly] Income does not include gross income shown as wages, tips and other compensation and pre-tax contributions on the last reported Federal IRS W-2 Form.] [Current [Monthly][Weekly] Income does not include shareholder earnings reported as ordinary income (loss) for trade or business activities on the Sub S Corporation's Federal IRS Tax Form Schedule K-1 1120S.]

If a Person is employed in a second job, at the same time he is Actively at Work as a Full-Time Employee for the Policyholder, and becomes Disabled under this policy, the following will apply during the Elimination Period and while receiving Disability benefits under this policy:

- 1) any income received from the second job will be considered Current [Monthly][Weekly] Income only to the extent that it exceeds the average [monthly][weekly] income received from that job during the [6] month period immediately prior to becoming Disabled; and
- 2) if the Person has worked for the second employer less than [6] months, the income will be averaged for the total number of months he was employed.

If a Person receives Current [Monthly][Weekly] Income in a Lump Sum, the Lump Sum Payment provision will apply.

SECTION 2 - DEFINITIONS

DATE OF DISABILITY means the first date the Person is Disabled.

DATE OF HIRE means the first day the Employee is Actively at Work in an eligible class for the Policyholder.

DISABILITY and DISABLED mean both Total Disability and Totally Disabled [and Partial Disability and Partially Disabled].

DUE DATE means the first day of the Policy Month for which the premium is payable.

ELIGIBILITY DATE means the date that an Employee in an eligible class has satisfied his Waiting Period and AUL determines he is eligible for Personal Insurance under this policy.

ELIGIBLE SURVIVOR means:

- 1) the Person's legal Spouse; or
- 2) the Person's unmarried Child(ren) under the age of 26, if the Child(ren) can be claimed as a dependent on the Person's federal income tax return.

One of the following definitions of Elimination Period will be used according to plan design.

[ELIMINATION PERIOD means a period of consecutive days of [Total] Disability for which no benefit is payable. The Elimination Period is set forth on the Schedule of Benefits and begins on the first day of [Total] Disability.]

[ELIMINATION PERIOD means a period of consecutive days of [Total] Disability for which no benefit is payable. The Elimination Period begins on the first day of [Total] Disability and ends on the LATER of:

- 1) the day ending the period of consecutive days stated on the Schedule of Benefits; or
- 2) the day ending the period of time for which Salary Continuance is [received][available] from the Policyholder.]

SECTION 2 - DEFINITIONS

EMPLOYEE means any individual who is a full-time employee (including owners, proprietors, partners, members or corporate officers) of the Policyholder [or any 1099-compensated Person with a current annual contract on file with the Policyholder]:

- 1) whose employment with the Policyholder constitutes his principal occupation;
- 2) who works at that occupation a minimum number of hours as stated by the Policyholder in the Application;
- 3) who is working at the Policyholder's regular place of business which may include an alternative worksite if approved by the Policyholder and AUL;
- 4) who is not a part-time, temporary or seasonal Employee; and
- 5) who is authorized to work in the United States under applicable state and federal laws; or
- 6) if approved by AUL:
 - a) who legally works and resides in Canada;
 - b) who legally works in the United States and resides in Canada; or
 - c) who legally works in Canada and resides in the United States.

EMPLOYER means the entity or organization for which the Person performs services and which has the right to control what will be done[and how it will be done. An Employer has the right to control the details of how the services are performed by the Person. The Person must not be considered an independent contractor or agent unless classified by the IRS as a statutory employee of the Employer]. The Employer is the entity or organization for which the Person performs his occupation, and is required to withhold and pay income, social security, and Medicare taxes on wages.

[EMPLOYER'S RETIREMENT PLAN means any defined benefit or defined contribution plan that provides retirement benefits to Employees and that is not funded wholly by Employee contributions. It includes any retirement plan that:

- 1) is part of any federal, state, county, municipal or association retirement system; and
- 2) that a Person is eligible for as a result of his employment with the Policyholder.

It does not include:

- 1) [profit sharing plans;
- 2) thrift or savings plans;
- 3) Individual Retirement Accounts (IRAs) or Roth IRAs funded wholly by a Person's contributions;
- 4) Tax Sheltered Annuities (TSA);
- 5) Stock Ownership Plans (ESOP);
- 6) nonqualified deferred compensation plans, including 457 plans;
- 7) Keogh, 401(k) or 403(b) plans; or
- 8) Veteran Administration Benefits except benefits that are a result of the same Disability for which a [Monthly] [Weekly] Benefit is payable under this policy.]]

EVIDENCE OF INSURABILITY means a statement or proof of an Employee's medical history upon which eligibility for insurance will be determined by AUL.

SECTION 2 - DEFINITIONS

FAMILY SOCIAL SECURITY BENEFITS means benefits that a Person, his Spouse or Child(ren) are entitled to receive as a result of the Person's eligibility for disability insurance benefits or old age insurance benefits through the Federal Social Security Administration.

[FAMILY STATUS CHANGE] means an increase or decrease in coverage resulting from specific events occurring in a Person's life.]

FRANCHISE COVERAGE means disability insurance coverage which allows Employees to be insured as part of their relationship with the Policyholder but such coverage is not part of an employee welfare benefit plan and the Employees are insured under individual policies.

One of the following definitions of Gainful Occupation will be used according to plan design:

[GAINFUL OCCUPATION] means an occupation that is or can be expected to provide a Person with an income within [6-24] months of the Person's return to work, that exceeds:

- 1) [60%-99%] of the Person's [Indexed]Pre-disability Earnings, if the Person is working;
- 2) [60%-99%] of Person's [Indexed]Pre-disability Earnings, if the Person is not working.]

[GAINFUL OCCUPATION] means an occupation that is or can be expected to provide a Person with an income within [6-24] months of the Person's return to work, that exceeds [60%-99%] of the Person's [Indexed]Pre-disability Earnings.]

[GAINFUL OCCUPATION] means an occupation that is or can be expected to provide a Person with an income within [6-24] months of the Person's return to work, that exceeds the Gross [Monthly] [Weekly] Benefit.]

GROSS [MONTHLY] [WEEKLY] BENEFIT means a Person's [Monthly] [Weekly] Benefit [before any reduction for Other Income Benefits].

GUARANTEED ISSUE AMOUNT means the amount of coverage that does not require Evidence of Insurability. This amount is shown on the Schedule of Benefits page.

INDEXED PRE-DISABILITY EARNINGS means the Person's Pre-Disability Earnings increased annually by the Consumer Price Index, up to a maximum increase of 10%. The increase will be effective on the [July 1st] following the first 12 consecutive calendar months of receiving Disability benefits and on each subsequent [July 1st].

INDIVIDUAL REINSTATEMENT means that Personal Insurance that has been terminated due to cessation of Active Work may be reinstated in accordance with Section 5A.

INJURY means a sudden, unforeseen and unexpected event that occurs independently of all other causes and causes physical harm to the Person. This includes all other conditions related to the same Injury.

MALE PRONOUN whenever used includes the female.

MATERIAL AND SUBSTANTIAL DUTIES means duties that:

- 1) are normally required for the performance of an occupation; and
- 2) cannot be reasonably omitted or modified.

SECTION 2 - DEFINITIONS

MAXIMUM BENEFIT DURATION means the maximum amount of time that benefits will be payable for Disability. This amount of time is stated on the Schedule of Benefits.

*Refer to **TOTAL DISABILITY** on the Schedule of Benefits to determine which of the following definitions and number* of years (if applicable) applies for each class or option :*

[If [Regular Occupation] [or] [Regular Job] applies to Disability for a limited period of time, the following definition applies:

MAXIMUM CAPACITY means, based on the Person's restrictions and limitations:

- 1) during the first [*1-10] year[s] of payments, the greatest extent of work the Person is able to do in his [Regular Occupation] [Regular Job]; and
- 2) beyond [*1-10] year[s] of payments, the greatest extent of work the Person is able to do in any occupation for which he is reasonably fitted by education, training or experience.]

[If [Regular Occupation] [or] [Regular Job] applies to Disability for the duration of the benefit [or Any Occupation], the following definition applies:

MAXIMUM CAPACITY means, based on the Person's restrictions and limitations, the greatest extent of work the Person is able to do in [his [Regular Occupation][Regular Job]][Any Occupation].]

MAXIMUM [MONTHLY][WEEKLY] BENEFIT means the maximum amount of benefit payable to a Person on a [monthly][weekly] basis as stated on the Schedule of Benefits.

[MEDICALLY NECESSARY means health care services that a Physician, exercising prudent clinical judgment, would provide to a Person for the purpose of evaluating, diagnosing or treating a Sickness or Injury, or its symptoms, and that are:

- 1) in accordance with the generally accepted standards of medical practice;
- 2) clinically appropriate, in terms of type, frequency, extent, site and duration, and considered effective for the Person's Sickness or Injury; and
- 3) not primarily for the convenience of the Person or Physician, or other Physician, and not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of that Person's Sickness or Injury.]

MENTAL ILLNESS means a psychiatric or psychological condition classified in the *Diagnostic and Statistical Manual of Mental Health Disorders (DSM)*, published by the American Psychiatric Association, most current as of the start of a Disability. Such disorders include, but are not limited to, psychotic, emotional or behavioral disorders, or disorders related to stress or to substance abuse or dependency. If the *DSM* is discontinued or replaced, these disorders will be those classified in the diagnostic manual then used by the American Psychiatric Association as of the start of a Disability.

[MONTHLY BENEFIT means the amount payable monthly by AUL to the Disabled Person. This is the amount stated on the Schedule of Benefits[, less Other Income Benefits]].

[NON-DISABLING means no other benefits are payable under this policy as a result of the condition for which the treatment was rendered.]

SECTION 2 - DEFINITIONS

OPTION means the benefits and provisions chosen on the Application by the Policyholder.

OPTION YEAR means a one-year period beginning on the Policyholder's Anniversary Date or on each subsequent anniversary of the Policyholder's Anniversary Date.

*Refer to **OTHER INCOME BENEFITS** in the Schedule of Benefits to determine which class or option this definition applies to.*

[OTHER INCOME BENEFITS means those benefits listed below that the [Person is][Person, his Spouse or Child(ren) are] entitled to receive. It includes any benefit for which they are eligible, or that is paid to them or a Third Party on their behalf, including:

- 1) disability income benefits, including any damages or settlements made in place of such benefits (whether or not liability is admitted) under:
 - a) any Workers' or Workmen's Compensation Law;
 - b) The Jones Act;
 - c) Maritime Doctrine of Maintenance, Wages or Cure;
 - d) Longshoremen's and Harbor Workers' Act;]
 - e) any automobile liability insurance or no-fault motor vehicle plan, whichever is applicable;]
 - f) a Third Party (after subtracting attorney's fees) by judgment, settlement or otherwise [not to exceed 50% of the net settlement];]
 - g) state compulsory benefit law, including any state disability income benefit law or similar law;
 - h) disability benefits from the Veteran's Administration, or any other foreign or domestic governmental agency, that begins *after* a Person becomes Disabled. This includes the amount of any increase in a benefit that a Person was receiving prior to becoming Disabled if the increase is attributed to the same disability for which the Person is currently receiving a [Monthly][Weekly] Benefit under this policy; and
 - i) any other similar act or law;
- 2) any disability income benefit for which the Person is eligible under any other employee welfare benefit plan, or arrangement of coverage, whether insured or not, as a result of the Person's employment with the Policyholder[. However, when the Person's Basic [Monthly][Weekly] Earnings exceed his Covered [Monthly][Weekly] Earnings, the [Monthly][Weekly] Benefit will not be reduced by such income unless when combined with the Other Income Benefits the total exceeds [80%] of Basic [Monthly][Weekly] Earnings. If it does, the [Monthly][Weekly] Benefit will be reduced by the amount that is in excess of [80%] of the Basic [Monthly][Weekly] Earnings];]
- 3) retirement and/or disability income benefits paid under an Employer's Retirement Plan except for amounts attributable to a Person's contributions;]
- 4) any disability income or retirement benefit that has been received or is eligible to be received from:
 - a) the Social Security Administration or any similar law, plan or act, including the initial enactment and all amendments;
 - b) the Canada Pension Plan;
 - c) the Quebec Pension Plan;
 - d) the Railroad Retirement Act; or
 - e) any other state, provincial or local government act or law or any other similar act or law provided in any jurisdiction;
- 5) any amounts received from partnership or proprietorship draws or similar draws[;] [and]
- 6) any Current [Monthly][Weekly] Income[; and]
- 7) any Salary Continuance, unless a Person's combined Gross [Monthly][Weekly] Benefit and all Other Income Benefits exceeds 100% of his Pre-Disability Earnings. In such event, any amount in excess of 100% of his Pre-Disability Earnings will be considered as Other Income Benefits].

SECTION 2 - DEFINITIONS

[The following items are NOT considered Other Income Benefits and will not be deducted from the Gross [Monthly][Weekly] Benefit payable to the Person:

- 1) profit sharing plans;
- 2) thrift or savings plans;
- 3) Individual Retirement Accounts (IRA) or Roth IRAs funded wholly by a Person's contributions;
- 4) Tax Sheltered Annuities (TSA);
- 5) Stock Ownership Plans (ESOP);
- 6) nonqualified deferred compensation plans, including 457 plans;
- 7) Keogh, 401(k) or 403(b) plans;
- 8) Veteran Administration Benefits except those benefits that are a result of the same Disability for which a [Monthly] [Weekly] Benefit is payable under this policy;
- 9) credit disability insurance;
- 10) pension plans for partners;
- 11) individual disability policies paid for by the Person and not sponsored by the Policyholder;
- 12) Social Security Widow's benefits paid under the deceased Spouse's earnings record;
- 13) Social Security retirement income received by the Person if his disability begins after age 62 and he was already receiving Social Security retirement income payments;
- 14) Retirement plans from other employers;[and
- 15) Salary Continuance Plans;][and][
- 16) no-fault automobile insurance plans].]

SECTION 2 - DEFINITIONS

[OUTPATIENT SURGERY means surgery where the Disabled Person is admitted and discharged from the hospital or surgery center on the same day, not requiring an overnight stay. This may also be known as ambulatory surgery, same-day surgery or day surgery.]

*Refer to **TOTAL DISABILITY** on the Schedule of Benefits to determine which of the following *definitions and number* of years (if applicable) applies for each class or option.*

[If [Regular Occupation] [or] [Regular Job] applies to Disability for a limited period of time, the following definition applies:

[PARTIAL DISABILITY and PARTIALLY DISABLED mean that because of Injury or Sickness:

- 1) the Person cannot perform the Material and Substantial Duties of his [Regular Occupation] [Regular Job] as a Full-Time Employee, but:
 - a) is performing at least one of the Material and Substantial Duties of his [Regular Occupation] [Regular Job], or another occupation, on a part or full-time basis;
 - b) his Current [Monthly][Weekly] Income is less than [60%-90%] of his Indexed Pre-Disability Earnings due to the same Injury or Sickness that caused his Disability; and
 - c) he is under the Regular Attendance of a Physician for that Injury and Sickness; and
- 2) after Disability Benefits have been paid for [*1-10] year[s] under this policy due to the same Injury or Sickness:
 - a) the Person cannot perform the duties of *any* Gainful Occupation for which he is reasonably fitted by training, education or experience;
 - b) his Current [Monthly][Weekly] Income is less than [60%-90%] of his Indexed Pre-Disability Earnings due to the same Injury or Sickness that caused his Disability; and
 - c) he is under the Regular Attendance and care of a Physician for that Injury or Sickness.]

[If [Regular Occupation] [or] [Regular Job] applies to Disability for the duration of the benefit [or Any Occupation], the following definition applies:

[PARTIAL DISABILITY and PARTIALLY DISABLED mean that because of Injury or Sickness the Person cannot perform the Material and Substantial Duties of [*[his Regular [Occupation][Job]][any Gainful Occupation]] as a Full-Time Employee, but:

- 1) is performing at least one of the Material and Substantial Duties of [his Regular [Occupation][Job], or another occupation][any Gainful Occupation], on a part or full-time basis;
- 2) his Current [Monthly][Weekly] Income is less than [60%-90%] of his Indexed Pre-Disability Earnings due to the same Injury or Sickness that caused his Disability; and
- 3) he is under the Regular Attendance of a Physician for that Injury and Sickness.]

[Loss of occupational license for any reason does not in itself constitute Partial Disability.]

PERSON means an Employee who has met the requirements of the Eligibility, Enrollment and Individual Effective Date of Insurance Sections of this policy.

PERSONAL INSURANCE means the insurance provided under this policy for an insured Person.

PHYSICIAN means a qualified, state licensed doctor of medicine or osteopathy, and any other licensed health care provider that state law requires to be recognized as a Physician, practicing within the scope of his license and applicable law. Physician does not include a Physician employed by the Policyholder, a Person or anyone related to a Person by blood, marriage, civil union, or domestic partnership.

SECTION 2 - DEFINITIONS

POLICYHOLDER means any sole proprietorship, partnership, member, corporation, limited liability company, limited liability partnership, firm, school district, individual school, union, association, organization or other instrumentality of a state or political subdivision thereof, that has been approved by AUL and to whom this policy is issued. An entity that is subsidiary to or affiliated with the Policyholder, as defined below is eligible for coverage under this policy if it is shown on the Application or later added by amendment to this policy.

A subsidiary may be included in this definition when the Policyholder owns more than 50% of the voting stock of the subsidiary corporation.

An affiliate may be included in this definition when the entity is under common control with the Policyholder through 51% or more ownership and control.

The Policyholder is liable for all premiums due for subsidiaries and affiliates during any period of time a subsidiary and/or affiliate is insured under this policy. Any notice given to the Policyholder by AUL shall be considered notice given to the subsidiary and/or affiliate.

POLICYHOLDER'S EFFECTIVE DATE means the date that coverage is actually effective for the Policyholder under this policy, as determined by AUL.

POLICYHOLDER'S ANNIVERSARY DATE means [March 1st] of each year.

PRE-DISABILITY EARNINGS means the Person's Basic [Monthly][Weekly] Earnings in effect immediately prior to his Date of Disability, as last reported to AUL in writing by the Policyholder.

[PRE-EXISTING CONDITION means any condition for which a Person has done [, or for which an ordinarily prudent Person would ordinarily have done] any of the following at any time during the [30 days][[3][6][12] months] immediately prior to the Person's Individual Effective Date of Insurance, whether or not that condition was diagnosed at all or was misdiagnosed during that period of time:

- 1) received medical treatment or consultation;
- 2) taken or were prescribed drugs or medicine; or
- 3) received care or services, including diagnostic measures.]

SECTION 2 - DEFINITIONS

PRIMARY SOCIAL SECURITY BENEFITS means benefits that the Person is entitled to receive for himself as a result of his eligibility for benefits through the Social Security Administration.

PRIOR PLAN means the Policyholder's plan of long or short term disability insurance, which terminated [on the day immediately before the] [[1-90] days before the] Policyholder's Effective Date of coverage under this policy.

REGULAR ATTENDANCE means that a Person:

- 1) personally visits a Physician as medically required according to standard medical practice, to effectively manage and treat the Person's Disability;
- 2) is receiving the most appropriate treatment and care that will maximize his medical improvement and aid in his return to work; and
- 3) is receiving care by a Physician whose specialty or clinical experience is appropriate for the Disability.

[**REGULAR JOB** means the job a Person was performing for the Policyholder immediately prior to the Date of Disability.]

[**REGULAR OCCUPATION** means a Person's occupation as it is recognized in the general workplace and according to industry standards. The Person's time, energy and services must be performed at the Policyholder's regular place of employment, or an alternative worksite approved by AUL. For Actively at Work requirements, a Person's alternative worksite may not be located outside of the United States or Canada for more than 6 months in any 12 month period. A Person's occupation does not mean the specific job tasks he does for the Policyholder or at a specific location. For example, an attorney's Regular Occupation means the practice of law as defined under applicable laws versus a specialized area within the practice of law.]

[**SALARY CONTINUANCE** means vacation pay, sick leave pay and/or paid time off pay, holiday pay and a documented formal salary continuation plan for Sickness or Injury received by a Person after his Date of Disability.]

SICKNESS means illness, bodily disorder or disease, Mental Illness, normal pregnancy and Complications of Pregnancy. Complications of Pregnancy is defined as a concurrent disease or abnormal conditions significantly affecting the usual medical management of pregnancy.

SOCIAL SECURITY means the United States Social Security Act or any similar law, plan or act including the initial enactment and all amendments.

SPOUSE means an individual to whom the Person is legally married. Whenever the term Spouse appears in this policy, this provision also incorporates the definition of civil union and domestic partner into this policy.

Spouse does not include an individual from whom the Person is divorced or from whom the Person has dissolved a civil union or a domestic partnership.

SECTION 2 – DEFINITIONS

TERMINAL ILLNESS means a diagnosed illness that, according to generally accepted medical standards, is expected to result in death within [12] months.

THIRD PARTY means an individual, entity or an insurance company other than AUL.

*Refer to **TOTAL DISABILITY** on the Schedule of Benefits to determine which of the following definitions and number* of years (if applicable) applies for each class or option.*

[If [Regular Occupation] [or] [Regular Job] applies to Disability for the duration of the benefit the following definition applies:

[REGULAR OCCUPATION/REGULAR JOB

TOTAL DISABILITY and **TOTALLY DISABLED** mean that because of Injury or Sickness:

- 1) a Person cannot perform the Material and Substantial Duties of his [Regular Occupation] [Regular Job];
- 2) a Person is not working in any occupation; and
- 3) a Person is under the Regular Attendance of a Physician for that Injury or Sickness.]

[If [Regular Occupation] [or] [Regular Job] applies to Disability for a limited period of time, the following definition applies:

[[1-10 YEAR[S]/REGULAR OCCUPATION/REGULAR JOB

TOTAL DISABILITY and **TOTALLY DISABLED** mean that because of Injury or Sickness:

- 1) a Person cannot perform the Material and Substantial Duties of his [Regular Occupation][Regular Job]; and
- 2) after the Monthly Benefit has been paid for [*1-10] year[s], a Person cannot perform the duties of any Gainful Occupation for which he is reasonably fitted by training, education or experience; and
- 3) a Person is under the Regular Attendance of a Physician for that Injury or Sickness.]

[If [Any Occupation] applies to Disability the following definition applies:

[ANY OCCUPATION

TOTAL DISABILITY and **TOTALLY DISABLED** mean that because of Injury or Sickness:

- 1) a Person cannot perform the Material and Substantial Duties of any Gainful Occupation for which he is reasonably fitted by training, education or experience; and
- 2) a Person is under the Regular Attendance of a Physician for that Injury or Sickness.]

[Loss of occupational license for any reason does not in itself constitute Total Disability]

[**TREATMENT FREE** means the Person has not received medical treatment, consultation, care or services including diagnostic measures, and the Person has not taken or been prescribed drugs or medicines for the Pre-existing Condition.]

WAITING PERIOD means the period of days, starting on the Date of Hire, that an Employee must be continuously Actively at Work while in an eligible class. [Part time employees will receive credit for the number of continuous days worked for the Policyholder immediately prior to being hired as a Full-Time Employee.] The Waiting Period is stated in the Schedule of Benefits.

[**WEEKLY BENEFIT** means the amount payable weekly by AUL to the Disabled Person. It is the Gross Weekly Benefit[, reduced by Other Income Benefits].

SECTION 3 - ELIGIBILITY, ENROLLMENT and INDIVIDUAL EFFECTIVE DATE OF INSURANCE

Refer to **INDIVIDUAL EFFECTIVE DATE** in the Schedule of Benefits to determine applicable Individual Effective Date for each class or option.

INITIAL EMPLOYEE means an Employee who is employed by the Policyholder before the Policyholder's Effective Date.

NEW EMPLOYEE means an Employee who is employed by the Policyholder on or after the Policyholder's Effective Date.

LATE ENROLLEE: A Late Enrollee is an Initial or New Employee who is Actively at Work, but does not request coverage during his Initial Enrollment Period. [Enrollment after the Initial Enrollment Period can only be done during a Scheduled Enrollment Period and will require satisfactory Evidence of Insurability, without expense to AUL.]

ELIGIBILITY DATE: An Employee who is in an eligible class as stated in the Schedule of Benefits and has satisfied his Waiting Period, becomes eligible for Personal Insurance under this policy on:

- 1) *Initial Employee: the later of:*
 - a) the Policyholder's original Effective Date of coverage under this policy; or
 - b) the day immediately following completion of the Waiting Period.
- 2) *New Employee[and Late Enrollee]:*
 - a) the day immediately following completion of the Waiting Period]; or
 - b) the first day of the Coverage Month immediately following completion of the Waiting Period]; or
 - c) the first day of the next Scheduled Enrollment Period]; or
 - d) the Policyholder's Anniversary Date following the next Scheduled Enrollment Period].

ENROLLMENT: To be considered for coverage, an eligible Employee must apply correctly and truthfully for Personal Insurance under this policy. Eligible Employees applying for Personal Insurance must complete and sign a request for coverage via an enrollment method approved by AUL within 31 days of their Eligibility Date and pay the required premiums before coverage will become effective. This form will be given to and maintained by the Policyholder. Coverage may only be requested during, as follows:

- 1) **INITIAL ENROLLMENT PERIOD:** The Initial Enrollment Period is the time during which an eligible Employee who is Actively at Work may first enroll for coverage following completion of the Waiting Period without providing Evidence of Insurability. An eligible Employee may waive coverage or request coverage under any Option offered by the Policyholder for his class. The Initial Enrollment Period includes the following periods, during which an Employee may make his initial application for coverage under this policy:
 - a) *Initial Employee:* the Initial Enrollment Period is the period of time agreed to by AUL and the Policyholder and is stated on the Schedule of Benefits; or
 - b) *New Employee:* the Initial Enrollment Period is [the period that begins on the Eligibility Date and continues through the number of days as stated in the Schedule of Benefits;][the first Scheduled Enrollment Period beginning on or following the Employee's Eligibility Date;] or
 - c) *Initial or New Employee not Actively at Work during his Initial Enrollment Period:* an Initial or New Employee not Actively at Work during his Initial Enrollment Period may enroll, without Evidence of Insurability, within 31 days from the date he returns to Active Work if:
 - i) he is in an eligible class as stated in the Schedule of Benefits; and
 - ii) his Waiting Period was completed prior to his cessation of Active Work.

**SECTION 3 - ELIGIBILITY, ENROLLMENT and
INDIVIDUAL EFFECTIVE DATE OF INSURANCE**

[

- 2) SCHEDULED ENROLLMENT PERIOD: This is a recurrent period of time starting after the Policyholder's original Effective Date, chosen by the Policyholder and approved by AUL, during which:
- a) [a New Employee] [or] [an eligible Late Enrollee] may apply for coverage under this policy via an enrollment method approved by AUL [.]; or[
 - b) a Person may change from one Option to another Option under this policy, [with][without] satisfactory Evidence of Insurability[.]; or[
 - c) an eligible Person may increase his [Monthly][Weekly] Benefit by the Annual Increase In Benefit amount as stated in the Schedule of Benefits without Evidence of Insurability. See Section 4[.]; or[
 - d) an eligible Person may increase his [Monthly][Weekly] Benefit to an amount in excess of the Annual Increase In Benefit Amount as stated in the Schedule of Benefits with satisfactory Evidence of Insurability. See Section 4[.]; or[
 - e) an eligible Late Enrollee may apply, via an enrollment method approved by AUL, for a [Monthly][Weekly] Benefit amount [in excess of the Guaranteed Issue Amount for Late Enrollees as stated in the Schedule of Benefits] with satisfactory Evidence of Insurability.] See Section 4.

The Scheduled Enrollment Period is chosen by the Policyholder and must be approved by AUL.]

SECTION 3 - ELIGIBILITY, ENROLLMENT and INDIVIDUAL EFFECTIVE DATE OF INSURANCE

Refer to **INDIVIDUAL EFFECTIVE DATE** in the Schedule of Benefits to determine applicable Individual Effective Date for each class or option.

INDIVIDUAL EFFECTIVE DATE OF INSURANCE

Initial Employees:

- 1) The Individual Effective Date of Insurance for an eligible Initial Employee who has satisfied the Waiting Period prior to the Policyholder's original Effective Date is the Policyholder's original Effective Date under this policy as long as the Initial Employee:
 - a) requested coverage during the Initial Enrollment Period; and
 - b) is Actively at Work for the Policyholder on that date.
- 2) The Individual Effective Date of Insurance for an eligible Initial Employee who has not satisfied the Waiting Period prior to the Policyholder's original Effective Date is stated on the Schedule of Benefits and applies as long as the Initial Employee:
 - a) requested coverage during the Initial Enrollment Period; and
 - b) is Actively at Work for the Policyholder on that date.

New Employees: The Individual Effective Date of Insurance for an eligible New Employee is [immediate as long as the New Employee:

- 1) requested coverage during the Initial Enrollment Period;
- 2) has completed the Waiting Period for New Employees; and
- 3) is Actively at Work on the Individual Effective Date of Insurance.]

[the date of the request if that date is the first day of a Coverage Month; otherwise it is the first day of the next Coverage Month as long as the New Employee:

- 1) requested coverage during the Initial Enrollment Period;
- 2) has completed the Waiting Period for New Employees; and
- 3) is Actively at Work on the Individual Effective Date of Insurance.]

[the first day of the Coverage Month following the Scheduled Enrollment Period as long as the New Employee:

- 1) requested coverage during the Scheduled Enrollment Period;
- 2) has completed the Waiting Period for New Employees; and
- 3) is Actively at Work on the Individual Effective Date of Insurance.]

[the Policyholder's Anniversary Date following the Scheduled Enrollment Period as long as the New Employee:

- 1) requested coverage during the Scheduled Enrollment Period;
- 2) has completed the Waiting Period for New Employees; and
- 3) is Actively at Work on the Individual Effective Date of Insurance.]

Initial or New Employee not Actively at Work during his Initial Enrollment Period: The date an Initial or New Employee returns to full-time Active Work will be his Individual Effective Date of Insurance, if he was enrolled during an Initial Enrollment Period, has completed the Waiting Period for Initial Employees, but was not Actively at Work on the date Personal Insurance would otherwise have become effective.

If enrolling after returning to Active Work, the Individual Effective Date of Insurance for an Initial or New Employee not Actively at Work is [immediately following the Waiting Period][the first day of the Coverage Month following the Initial Enrollment Period][the Policyholder's Anniversary Date following the Initial Enrollment Period][the First day of the Coverage Month following the Scheduled Enrollment Period].

SECTION 3 - ELIGIBILITY, ENROLLMENT and INDIVIDUAL EFFECTIVE DATE OF INSURANCE

*Refer to **INDIVIDUAL EFFECTIVE DATE** in the Schedule of Benefits to determine applicable Individual Effective Date for each class or option.*

[Late Enrollee: The Individual Effective Date of Insurance for an eligible Late Enrollee is [immediately following the Waiting Period][the first day of the Coverage Month following the Initial Enrollment Period][the Policyholder's Anniversary Date following the Initial Enrollment Period][the First day of the Coverage Month following the Scheduled Enrollment Period] as long as the Late Enrollee:

- 1) requested coverage during the Scheduled Enrollment Period;*
- 2) has completed the Waiting Period for New Employees; and*
- 3) is Actively at Work on the Individual Effective Date of Insurance.]*

[Late Enrollee: The Guaranteed Issue Amount for a Late Enrollee is stated in the Schedule of Benefits. AUL will determine the Individual Effective Date of Insurance for an eligible Late Enrollee following the date of the Late Enrollee request as long as the Late Enrollee:

- 1) requested coverage during the Scheduled Enrollment Period;*
- 2) has completed the Waiting Period for New Employees; and*
- 3) is Actively at Work on the Individual Effective Date of Insurance.]*

COVERAGE IN EXCESS OF GUARANTEED ISSUE AMOUNT: The Individual Effective Date of Insurance as previously explained applies to any portion of the Maximum [Monthly][Weekly] Benefit that does not exceed the Guaranteed Issue Amount. However, any portion of the Maximum [Monthly][Weekly] Benefit that exceeds the Guaranteed Issue Amount will require Evidence of Insurability, satisfactory and without expense to AUL. If the excess portion is approved, the Effective Date of Insurance for that portion will be named by AUL. If the excess portion is not approved by AUL, the Maximum [Monthly][Weekly] Benefit will be an amount equal to the Guaranteed Issue Amount.

Evidence of Insurability: Documentation and records are required to be forwarded to AUL, at no cost to AUL, if the request for coverage is made:

- 1) after an Employee's Initial Period;
- 2) after a Person's requested termination date; or
- 3) for coverage in excess of the Guaranteed Issue Amount.

If satisfactory Evidence of Insurability is provided, and coverage is approved in writing by AUL, the Individual Effective Date of Insurance will be named by AUL.

SECTION 4 - CHANGES IN INSURANCE

*Refer to **CHANGES IN INSURANCE** in the Schedule of Benefits to determine the applicable Effective Date of Change for each class or option.*

*Refer to **ANNUAL INCREASE IN BENEFIT** in the Schedule of Benefits to determine if benefit is included for each class or option.*

[EFFECTIVE DATE OF CHANGE (Immediate & AIB)]

A change in coverage that does not increase the amount of coverage becomes effective on the date of AUL's approval of the change.

Prior to a change in coverage that increases coverage, the Person [(except a Person on an Employer-approved Leave of Absence other than for Sickness or Injury)] must be Actively at Work and the required amount of premium must be paid.

A change increasing the amount of coverage equal to or less than the AIB offer takes effect the date the Person requests the change in coverage.

A change in coverage increasing the amount of coverage exceeding the Person's AIB offer takes effect the date the Person becomes eligible for the change in coverage and is subject to:

- 1) satisfactory Evidence of Insurability, at no expense to AUL; and
- 2) AUL's written approval.

If the Person is not Actively at Work on the approved change date, any change in the amount of coverage takes effect on the date the Person returns to Active Work.]

[EFFECTIVE DATE OF CHANGE (First of the Coverage Month & AIB)]

A change in coverage that does not increase the amount of coverage becomes effective the earlier of:

- 1) the first day of the Coverage Month following AUL's approval of the change, if the date is the first day of the Coverage Month; or
- 2) the first day of the next Coverage Month following AUL's approval of the change, if the date is after the first day of the Coverage Month.

Prior to a change in coverage that increases the amount of coverage, the Person [(except a Person on an Employer-approved Leave of Absence other than for Sickness or Injury)] must be Actively at Work and the required amount of premium must be paid.

A change increasing the amount of coverage equal to or less than the AIB offer takes effect on:

- 1) the first day of the Coverage Month; if the Person requests the change on the first day of the Coverage Month; or
- 2) the first day of the next Coverage Month following the date the Person requests the change in coverage, if the date is after the first day of the Coverage Month.

A change in coverage increasing the amount of coverage above the Person's AIB offer is subject to:

- 1) satisfactory Evidence of Insurability, at no expense to AUL; and
- 2) AUL's written approval.

If the Person is not Actively at Work on the approved change date, any change in the amount of coverage takes effect on the date the Person returns to Active Work.]

[If the change is an increase in coverage, see Pre-Existing Condition Exclusions in Section 9.]

SECTION 4 - CHANGES IN INSURANCE

*Refer to **CHANGES IN INSURANCE** in the Schedule of Benefits to determine the applicable Effective Date of Change for each class or option.*

*Refer to **ANNUAL INCREASE IN BENEFIT** in the Schedule of Benefits to determine if benefit is included for each class or option.*

[EFFECTIVE DATE OF CHANGE (Policyholder's Anniversary Date & AIB)]

A change in coverage that does not increase the amount of coverage becomes effective on the Policyholder's Anniversary Date following AUL's approval of the change.

Prior to a change in coverage that increases the amount of coverage, the Person [(except a Person on an Employer-approved Leave of Absence other than for Sickness or Injury)] must be Actively at Work and the required amount of premium be paid.

A change in coverage increasing the amount of coverage not exceeding the Person's AIB offer takes effect on the Policyholder's Anniversary Date.

A change in coverage increasing the amount of coverage exceeding the Person's AIB offer is subject to:

- 1) satisfactory Evidence of Insurability, at no expense to AUL; and
- 2) AUL's written approval.

If the Person is not Actively at Work on the Policyholder's Anniversary Date that is the approved change date, any increase in the amount of coverage takes effect on the date the Person returns to Active Work.]

[If the change is an increase in coverage, see Pre-Existing Condition Exclusions in Section 9.]

SECTION 4 - CHANGES IN INSURANCE

*Refer to **CHANGES IN INSURANCE** in the Schedule of Benefits to determine the applicable Effective Date of Change for each class or option.*

*Refer to **ANNUAL INCREASE IN BENEFIT** in the Schedule of Benefits to determine if benefit is included for each class or option.*

[EFFECTIVE DATE OF CHANGE (Immediate & No AIB)]

A change in coverage that does not increase the amount of a Person's coverage becomes effective on the date of AUL's approval of the change.

Prior to a change in coverage that increases the amount of coverage, the Person [(except a Person on an Employer-approved Leave of Absence other than for an Injury or Sickness)] must be Actively at Work and the required amount of premium must be paid.

A change increasing the amount of coverage is subject to:

- 1) satisfactory Evidence of Insurability, at no expense to AUL; and
- 2) AUL's written approval.

If a Person is not Actively at Work on the approved change date, any increase in the amount of coverage takes effect on the date the Person returns to Active Work.]

[EFFECTIVE DATE OF CHANGE (First of the Coverage Month & No AIB)]

A change in coverage that does not increase the amount of coverage becomes effective on:

- 1) the first day of the Coverage Month following AUL's approval of the change, if the date is the first day of the Coverage Month; or
- 2) the first day of the next Coverage Month following AUL's approval of the change, if the date is after the first day of the Coverage Month.

Prior to a change in coverage that increases the amount of coverage, the Person [(except a Person on an Employer-approved Leave of Absence other than for Sickness or Injury)] must be Actively at Work and the required amount of premium must be paid.

A change increasing the amount of coverage is subject to:

- 1) satisfactory Evidence of Insurability, at no expense to AUL; and
- 2) AUL's written approval.

If the Person is not Actively at Work on the approved change date, any change in the amount of coverage takes effect on the date the Person returns to Active Work.]

[If the change is an increase in coverage, see Pre-Existing Condition Exclusions in Section 9.]

SECTION 4 - CHANGES IN INSURANCE

*Refer to **CHANGES IN INSURANCE** in the Schedule of Benefits to determine the applicable Effective Date of Change for each class or option.*

*Refer to **ANNUAL INCREASE IN BENEFIT** in the Schedule of Benefits to determine if benefit is included for each class or option.*

[EFFECTIVE DATE CHANGE (Policyholder's Anniversary Date & No AIB)

A change in coverage that does not increase the amount of coverage becomes effective on the Policyholder's Anniversary Date following AUL's approval of the change.

Prior to a change in coverage that increases the amount of coverage, the Person [(except a Person on an Employer-approved Leave of Absence other than for Sickness or Injury)] must be Actively at Work and the required amount of premium must be paid.

If the Person is not Actively at Work on the approved change date, any change in the amount of coverage takes effect on the date the Person returns to Active Work.]

[If the change is an increase in coverage, see Pre-Existing Condition Exclusions in Section 9.]

SECTION 4 - CHANGES IN INSURANCE

[CHANGING OPTION: After the Initial Enrollment Period, a Person may increase his coverage to another Option available to his class during a Scheduled Enrollment Period as agreed to by the Policyholder and approved by AUL. The request for a change in Option and agreement to pay the required premium must be made via a method approved by AUL, subject to the following:

- 1) an increase in coverage to the next higher Option available to a Person's class will [not] require Evidence of Insurability;
- 2) requests to increase coverage to an Option other than the next higher Option will [not] be allowed[with satisfactory Evidence of Insurability]; and
- 3) if a Person fails to apply for an increase in coverage in a manner agreed to by the Policyholder and approved by AUL, he will continue to be covered under his current Option until the next Scheduled Enrollment Period.

If the Person is not Actively at Work on the Effective Date of Change, the Person becomes eligible for the change on the first day that the Person returns to Active Work.]

[The provision entitled Pre-Existing Condition Exclusion For A Change In Option, shown in Section 9 - Exclusions, will apply to a change in Option resulting in an increase in coverage.]

*Refer to **CHANGES IN INSURANCE** in the Schedule of Benefits to determine the applicable Effective Date of Change for each class or option.*

DECREASING THE [MONTHLY][WEEKLY] BENEFIT AMOUNT: A Person may decrease the amount of his coverage at any time. Any decrease in coverage will become effective [immediately][the first day of the Coverage Month][on the Policyholder's next Anniversary Date] following the date of the request.

Any change in insurance, other than a decrease in the amount of coverage or an increase in coverage to the next higher Option as stated above, will require satisfactory Evidence of Insurability.

[If the change is an increase in coverage, see Pre-Existing Condition Exclusions in Section 9.]

SECTION 4 - CHANGES IN INSURANCE

*Refer to **ANNUAL INCREASE IN BENEFIT** in the Schedule of Benefits to determine if applicable to any class(es) or options(s).*

[ANNUAL INCREASE IN BENEFIT (AIB)]

The Person may apply annually for the AIB, which is an additional amount of coverage, during an AUL approved enrollment period without satisfactory Evidence of Insurability, if all the following conditions are met:

- 1) the Person must be Actively at Work on the effective date of the increase;
- 2) the amount of each increase will be limited to the AIB Amount stated in the Schedule of Benefits;
- 3) the amount of coverage after the increase is not greater than the [Monthly][Weekly] Benefit amount stated in the Schedule of Benefits; and
- 4) the Person has not previously been declined for the AIB.

If coverage is declined following unsatisfactory Evidence of Insurability, no AIB will be available until satisfactory Evidence of Insurability and information is received. Approval will be based on Evidence of Insurability and information satisfactory to AUL. If the AIB request is approved, coverage will begin on the date identified and approved in writing by AUL.]

[Automatic AIB provision for list billed groups only.

A Person may elect to automatically receive the AIB by:

- 1) applying for the automatic opt in option via an enrollment method approved by AUL during the Initial Enrollment Period; or
- 2) submitting a request via a method approved by AUL indicating the Person's desire to automatically receive the AIB.

If a Person, after electing the automatic AIB, elects at a later date to decline to automatically receive the AIB, he must submit notification of declination via a method approved by AUL to AUL 30 days before the AIB would have taken effect.]

[For an increase in coverage resulting from an AIB, the provision entitled Pre-Existing Condition Exclusion For an Increased [Monthly] [Weekly] Benefit on Annual Increase in Benefit, shown in Section 9 - EXCLUSIONS, will apply.]

SECTION 4 - CHANGES IN INSURANCE

*Refer to **ANNUAL INCREASE IN BENEFIT** in the Schedule of Benefits to determine if applicable to any class or options.*

[COVERAGE AMOUNTS REQUESTED IN EXCESS OF THE ANNUAL INCREASE IN BENEFIT

During an AUL approved enrollment period, a Person may apply to increase an amount greater than the AIB, however, receipt of any amount above the AIB will first require approval based on Evidence of Insurability and information satisfactory to AUL. If coverage is approved, coverage will begin on the date identified and approved in writing by AUL.

If coverage for an Employee is declined following unsatisfactory Evidence of Insurability, no AIB will be available until Evidence of Insurability and information satisfactory to AUL is received. Until the AIB is approved, only the amount of coverage previously approved by AUL will be available.]

SECTION 4 - CHANGES IN INSURANCE

[FAMILY STATUS CHANGE]

[A Person may request an additional amount of coverage] [or] [a Late Enrollee may request coverage], without Evidence of Insurability, up to the Guaranteed Issue Amount as stated in the Schedule of Benefits if all the following conditions are met:

- 1) The [Person] [or] [Late Enrollee] experienced one of the following changes in family status:
 - a) legal marriage;
 - b) domestic partnership or civil union, as defined under applicable laws in the state of residence of the Person;
 - c) divorce or dissolution of a domestic partnership or civil union;
 - d) birth of a child;
 - e) adoption of a child or stepchild; or
 - f) permanent legal custody or guardianship of a child lasting more than [90] days;
- 2) AUL was notified within 31 days of the change in family status;
- 3) the [Person] [or] [Late Enrollee] was Actively at Work on the effective date of the change;
- 4) the amount of coverage after the increase is not greater than the [Monthly][Weekly] Benefit amount stated in the Schedule of Benefits; and
- 5) the [Person] [or] [Late Enrollee] has not previously been declined.

This change will become effective [immediately][the first day of the Coverage Month][on the Policyholder's next Anniversary Date] following the date of the request.

[If coverage for a [Person] [or] [Late Enrollee] was previously declined due to unsatisfactory Evidence of Insurability, no Family Status Change will be approved until Evidence of Insurability satisfactory to AUL is received. If the [Person's] [or] [Late Enrollee's] Family Status Change request is approved, coverage will begin on the date identified in writing by AUL.]]

SECTION 5 - TERMINATIONS

Refer to **INDIVIDUAL TERMINATIONS** in the Schedule of Benefits to determine individual termination date for each class or option.

INDIVIDUAL TERMINATIONS: A Person will cease to be insured on the EARLIEST of the following dates:

- 1) the date this policy terminates;
- 2) the [end of the Coverage Month following the] date the Person is no longer in an eligible class;
- 3) the date the Person's class, as stated on the Schedule of Benefits, is no longer insured under this policy;
- 4) the last day of the period for which premiums were paid, if the premium is not paid when due;
- 5) the date the Person requests termination, but not prior to the date of the request;
- 6) the [end of the Coverage Month following the] date employment terminates. However, insurance will be continued for a Person:
 - a) during the Elimination Period, if the Person is Disabled, as described in this policy;
 - b) during any period that [premiums are being waived under the Waiver of Premium provision][[Monthly][Weekly] Benefits are paid[;][and]]
 - c) during any temporary [Leave of Absence] [or] [sabbatical] according to the appropriate Continuation of Personal Insurance benefit if premiums continue to be paid during the [Leave of Absence] [or] [sabbatical], and the benefit was elected by the Policyholder, shown on the Schedule of Benefits and approved by AUL[;][and]]
 - d) to the end of [the Coverage Month][a [30][60][90][120][150][180][365]-day period] following the month that a Person is temporarily laid off as long as premiums continue to be paid, if coverage during a temporary layoff was elected by the Policyholder, shown on the Schedule of Benefits and approved by AUL[; and]]
- 7) the [end of the Coverage Month following the] date the Person ceases Active Work. However, insurance will be continued for a Person:
 - a) during the Elimination Period, if the Person is Disabled, as described in this policy;
 - b) during any period that [premiums are being waived under the Waiver of Premium provision][[Monthly][Weekly] Benefits are paid[;][and]]
 - c) during any temporary [Leave of Absence] [or] [sabbatical] according to the appropriate Continuation of Personal Insurance benefit if premiums continue to be paid during the [Leave of Absence] [or] [sabbatical], and the benefit was elected by the Policyholder, shown on the Schedule of Benefits and approved by AUL[;][and]]
 - d) to the end of [the Coverage Month][a [30][60][90][120][150][180][365]-day period] following the month that a Person is temporarily laid off as long as premiums continue to be paid, if coverage during a temporary layoff was elected by the Policyholder, shown on the Schedule of Benefits and approved by AUL[; and]]
- 8) the date the Person enters active military service for any country, except for temporary duty of 30 days or less].

SECTION 5 - TERMINATIONS

TERMINATION OF THE POLICY: Insurance coverage under this policy will cease on the EARLIEST of the following dates:

- 1) the date the Policyholder no longer meets the definition of a Policyholder;
- 2) the date the Policyholder ceases active business operations or is placed in bankruptcy or receivership;
- 3) the date the Policyholder loses its entity by means of dissolution, merger, or otherwise;
- 4) the date ending the Policy Month for which the last premium payment is made for the Policyholder's insurance;
- 5) at the end of a Policy Month, provided AUL has given at least [31] days prior written notice to the Policyholder;
- 6) at the end of the Policy Month, if the Policyholder has given AUL at least [31] days prior written notice;
- 7) the date, as determined by AUL, that the Policyholder fails to promptly furnish any information which AUL may reasonably require; or
- 8) the date the Policyholder, without good and sufficient cause, fails to perform in good faith its duties pertaining to this policy.

If a Person's insurance is terminated due to the termination of this policy, the Person's rights under this policy are terminated on the date that this policy terminated.

Termination of this policy under any conditions will be without prejudice to any claim incurred prior to termination.

If this policy terminates, the Policyholder will be liable to AUL for all unpaid premiums for the period during which the coverage was in force.

SECTION 5 - TERMINATIONS

EXTENDED BENEFIT: If the Person is Disabled on the date insurance terminates, AUL will pay benefits for Disability:

- 1) after the Elimination Period has been met, if the Person is not already receiving a [Monthly] [Weekly] Benefit;
- 2) during the uninterrupted continuance of the same period of Disability; and
- 3) subject to the provisions and benefits of this policy.

Benefits will be extended to the EARLIEST of the following:[

- 1) the date Current [Monthly] [Weekly] Income equals or exceeds [60%-100%] of the Indexed Pre-Disability Earnings;]
- 2) the date that the Person ceases to be Disabled;
- 3) the date the Person dies;
- 4) the date the Maximum Benefit Duration, shown on the Schedule of Benefits, is completed;
- 5) the date the Person fails to give AUL required proof of Disability or information required by AUL to determine if any benefits are owed under this policy;
- 6) the date the Person refuses to allow an examination requested by AUL;
- 7) the date the Person is no longer under the Regular Attendance and care of a Physician;[or]
- 8) the date the Person refuses to provide information to AUL to verify the Person's Current [Monthly] [Weekly] Income[; or
- 9) the date the Person leaves the United States or Canada and establishes his residence in any other country. A Person will be considered to reside outside these countries when the Person has been outside the United States or Canada for a total period of [3-24 months][12-104 weeks] or more during any [[3-24] consecutive months][12-104 consecutive weeks] of benefits].

SECTION 5A - INDIVIDUAL REINSTATEMENT

[INDIVIDUAL REINSTATEMENT: If Personal Insurance terminates under this policy due to cessation of Active Work for the Policyholder, it may be reinstated subject to the terms of this provision. Individual Reinstatement must be requested during the [31-day] period immediately following return to Active Work for the Policyholder in accordance with the terms stated in this provision. Individual Reinstatement will be for the same coverage amount and eligible class that the Employee belonged to immediately prior to his termination. AUL may require Evidence of Insurability if reinstatement is requested for an amount or eligible class that differs from the coverage the Employee had with the Policyholder immediately prior to his cessation of Active Work. Reinstatement is subject to payment of required premiums and that the Policyholder is insured by AUL under this policy. In addition to the above requirements, the following also applies, as applicable:

- 1) If an Employee returns to Active Work within the period of consecutive calendar days as stated in the Schedule of Benefits under Individual Reinstatement from his individual termination date and requests Individual Reinstatement:
 - a) Personal Insurance will become effective [immediately upon the date of request for Individual Reinstatement] [the first day of the Coverage Month immediately following the date of request for Individual Reinstatement.]
 - b) Evidence of Insurability will not be required for Individual Reinstatement to the same coverage amount and eligible class held by the Employee under this policy immediately prior to cessation of Active Work.
 - c) *[If the Schedule of Benefits states that the Employee must return to Active Work within [30, 60, 90, 120, 150, 180, 360, 365] days of termination:* Credit will be given towards satisfaction of the eligibility Waiting Period and of the Pre-Existing Condition exclusion or limitation period he previously served under this policy. However, any days accumulated during his period of lapse in coverage will not be credited. The original Individual Effective Date of Insurance will be used when applying the eligibility Waiting Period and the Pre-Existing Condition exclusion or limitation period.]
 - d) *[If the Schedule of Benefits states that the Employee can return to Active Work for a period greater than [30, 60, 90, 120, 150, 180, 360, 365] days from the Employee's date of termination:* Credit will be given towards satisfaction of the eligibility Waiting Period he previously served under this policy. However, any days accumulated during his period of lapse in coverage will not be credited. The Employee will be considered a New Employee and subject to the terms of this policy, except as stated herein.]
- 2) If an Employee returns to Active Work after more than the number of consecutive calendar days, shown in 1) above, after his Individual Termination date and requests Individual Reinstatement:
 - a) The Employee will be considered a New Employee and subject to the terms of this policy.
 - b) Eligibility for Personal Insurance, enrollment and his Individual Effective Date of Insurance will be determined as stated in this policy.
 - c) The Waiting Period and Pre-Existing Condition exclusion or limitation period will start anew. The Individual Reinstatement date will be used when applying the Pre-Existing Condition exclusion or limitation period.]
- 3) If the Employee is insured under this policy's Portability Privilege and returns to Active Work with the Policyholder and requests Individual Reinstatement to this policy.
 - a) Personal Insurance will become effective [immediately upon the date of request for Individual Reinstatement] [the first day of the Coverage Month immediately following the date of request for Individual Reinstatement].
 - b) Evidence of Insurability will not be required for Individual Reinstatement to the same coverage amount and eligible class held by the Employee under this policy immediately prior to cessation of Active Work.
 - c) Credit will be given towards satisfaction of the Pre-Existing Condition exclusion or limitation period already served under this policy and the Portability Privilege. The Employee's original Individual Effective Date of Insurance will be used when applying the Pre-Existing Condition exclusion or limitation period.
 - d) Coverage under the Portability Privilege must terminate immediately prior to the date of Individual Reinstatement under this policy.]]

SECTION 5A - INDIVIDUAL REINSTATEMENT

- [
- 4) If Personal Insurance terminates because of a leave approved by the Policyholder under the Federal Family and Medical Leave Act (FMLA), or similar applicable state law, and the Employee returns to full-time Active Work immediately following the end of the leave:
 - a) Personal Insurance will become effective immediately upon the date of request for Individual Reinstatement.
 - b) Credit will be given towards satisfaction of the Pre-Existing Condition exclusion or limitation period previously served under this policy. However, the days accumulated during the period of lapse in coverage will not be credited. The original Individual Effective Date of Insurance will be used when applying the Pre-Existing Condition exclusion or limitation period.
 - c) Evidence of Insurability will not be required for Individual Reinstatement to the same coverage amount and eligible class that the Employee would have been entitled to prior to the FMLA leave.
 - 5) [If Personal Insurance terminates because an Employee became a full-time member of the armed forces of the United States and he returns to full-time Active Work, the Person's coverage may be reinstated in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and applicable state law.]]

**SECTION 5B - CONTINUATION OF PERSONAL INSURANCE
UNDER THE FAMILY AND MEDICAL LEAVE ACT**

*[Refer to **CONTINUATION OF PERSONAL INSURANCE UNDER FMLA** in the Schedule of Benefits to determine applicable class(es) or options(s).]*

CONTINUATION OF PERSONAL INSURANCE UNDER THE FAMILY AND MEDICAL LEAVE ACT. If the Policyholder correctly approves a leave of absence under the Federal Family and Medical Leave Act (FMLA), a Person's coverage under this policy will be continued as stated in this Section. Personal Insurance will continue while a Person's leave is covered under FMLA, until the end of the later of:

- 1) the leave period permitted under FMLA or
- 2) the leave period permitted by applicable state law.

Coverage continued under this Section is subject to the following requirements:

- 1) the Policyholder has approved a Person's leave in writing as a leave taken under FMLA;
- 2) applicable premiums must continue to be paid to AUL in accordance with this policy (see Section 6 - PREMIUM PAYMENT); and
- 3) Basic [Monthly][Weekly] Earnings will be the amount as last reported to AUL in writing and in effect prior to the date the Person's family or medical leave began.

Continuation of Personal Insurance under this provision will cease on the earliest of the following:

- 1) the date a Person dies;
- 2) the date a Person's coverage terminates for nonpayment of premiums;
- 3) the date a Person begins full or part-time employment with another employer;
- 4) the date this policy terminates;
- 5) the date a Person notifies the Policyholder that he will not be returning to Active Work;
- 6) the date a Person's class is no longer offered under this policy;
- 7) the date a Person no longer qualifies for a Leave of Absence or participation in an eligible class, as stated in the Schedule of Benefits; [or]
- 8) the date a Person requests termination of coverage under this policy, but not prior to the date of request; or
- 9) the date a Person enters active military service for any country, except for temporary duty of 30 days or less].

All terms and conditions of this policy will apply during the approved continuation period provided under this Section, unless otherwise stated. While Personal Insurance is being continued under this Section, the Person will be considered exempt from the requirements listed below:

- 1) the Actively at Work definition; and
- 2) the applicable number of hours needed to meet the requirement for Full-Time Employee, as stated in the Schedule of Benefits.

If the Policyholder has approved more than one type of Leave of Absence for the Person during any one period, AUL will consider such leaves to be concurrent for the purpose of determining how long the Person's coverage may continue under this policy.]

**SECTION 5C - CONTINUATION OF PERSONAL INSURANCE
DURING A [LEAVE OF ABSENCE][,][AND][SABBATICAL][,][AND][TEMPORARY LAYOFF]**

*[Refer to **CONTINUATION OF PERSONAL INSURANCE DURING A LEAVE OF ABSENCE**,] [and] [SABBATICAL],] [and] [TEMPORARY LAYOFF] in the Schedule of Benefits to determine applicable class(es) or options(s).*

[LEAVE OF ABSENCE references in this Section means the Person is absent from Active Work for a temporary period of time that has been agreed to in advance and in writing by the Policyholder[.] [and includes [temporary layoffs] [and] [sabbaticals] unless otherwise stated.]

[CONTINUATION OF PERSONAL INSURANCE DURING A SABBATICAL. If the Policyholder approves a sabbatical, a Person's coverage under this policy will be continued [through the end of the Policyholder's current school contract year in which the Person's sabbatical began] [to the end of the [30][60][90][120][150][180][365]-day period from the date the Person's sabbatical began], as long as premiums continue to be paid to and received by AUL, subject to same requirement as a Leave Of Absence.]

[CONTINUATION OF PERSONAL INSURANCE WHILE TEMPORARILY LAID OFF. If the Policyholder approves a temporary layoff, a Person's coverage under this policy will be continued [to the end of the Coverage Month following the month in which the layoff begins] [to the end of the [30][60][90][120][150][180][365]-day period from the date the Person's layoff began], as long as premiums continue to be paid to and received by AUL, subject to same requirement as a Leave Of Absence.]

[CONTINUATION OF PERSONAL INSURANCE UNDER A LEAVE OF ABSENCE: If the Policyholder approves a Leave of Absence, a Person's coverage under this policy will be continued [to the end of the Coverage Month following the month that a Person begins a Leave of Absence,] [to the end of the [30][60][90][120][150][180][365]-day period from the date the Person begins a Leave of Absence] as long as premiums continue to be paid to and received by AUL, subject to the following requirements:

- 1) the Policyholder has approved a Person's Leave of Absence in writing;
- 2) applicable premiums must continue to be paid to AUL in accordance with this policy (see Section 6 – PREMIUM PAYMENT); and
- 3) Basic [Monthly][Weekly] Earnings will be the amount last reported to AUL in writing and in effect prior to the date the Person's Leave of Absence began.

Continuation of Personal Insurance under this provision will cease on the EARLIEST of the following:

- 1) the date a Person dies;
- 2) the date a Person's coverage terminates for nonpayment of premiums;
- 3) the date a Person begins full or part-time employment with another employer;
- 4) the date this policy terminates;
- 5) the date a Person notifies the Policyholder that he will not be returning to Active Work;
- 6) the date a Person's class is no longer offered under this policy;
- 7) the date a Person no longer qualifies for a Leave of Absence or participation in an eligible class, as stated in the Schedule of Benefits; [or]
- 8) the date a Person requests termination of coverage under this policy, but not prior to the date of request[; or
- 9) the date a Person enters active military service for any country, except for temporary duty of 30 days or less].]

**SECTION 5C - CONTINUATION OF PERSONAL INSURANCE
DURING A [LEAVE OF ABSENCE][,][AND][SABBATICAL][,][AND][TEMPORARY LAYOFF]**

*[Refer to **CONTINUATION OF PERSONAL INSURANCE DURING A LEAVE OF ABSENCE**,] [and] **[SABBATICAL]**,] [and] **[TEMPORARY LAYOFF]** in the Schedule of Benefits to determine applicable class(es) or options(s).]*

All terms and conditions of this policy will apply during the approved continuation period provided under this Section, unless otherwise stated. While Personal Insurance is being continued under this Section, the Person will be considered exempt from the requirements listed below:

- 1) the Actively at Work definition; and
- 2) the applicable number of hours needed to meet the requirement for Full-Time Employee, as stated in the Application.

If the Policyholder has approved more than one type of Leave of Absence for the Person during any one period, AUL will consider such leaves to be concurrent for the purpose of determining how long the Person's coverage may continue under this policy.]

**SECTION 5D - CONTINUATION OF PERSONAL INSURANCE
DURING A LEAVE OF ABSENCE FOR ACTIVE MILITARY SERVICE**

*[Refer to **CONTINUATION OF INSURANCE DURING A LEAVE OF ABSENCE FOR ACTIVE MILITARY SERVICE** in the Schedule of Benefits to determine applicable class(es) or options(s).]*

LEAVE OF ABSENCE means the Person is absent from Active Work for a temporary period of time that has been agreed to in advance in writing by the Policyholder.

CONTINUATION OF PERSONAL INSURANCE DURING A LEAVE OF ABSENCE FOR ACTIVE MILITARY SERVICE: If the Person is on a Leave of Absence for Active Military Service as described under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and applicable state law, the Person's coverage may be continued until the LATER of:

- 1) the length of time the coverage may be continued under this policy for an FMLA leave of absence; or
- 2) the length of time the coverage may be continued under this policy for a Leave of Absence other than an FMLA leave of absence.

Coverage continued under this Section is subject to the following requirements:

- 1) applicable premiums must continue to be paid to AUL in accordance with this policy (see Section 6 - Premium Payment); and
- 2) Basic [Monthly][Weekly] Earnings will be the amount last reported to AUL in writing and in effect prior to the date the Person's Leave of Absence for active military service began.

Continuation of Personal Insurance under this provision will cease on the earliest of the following:

- 1) the date a Person dies;
- 2) the date a Person's coverage terminates for nonpayment of premiums;
- 3) the date a Person begins full or part-time employment with another employer;
- 4) the date this policy terminates;
- 5) the date a Person notifies the Policyholder that he will not be returning to Active Work;
- 6) the date a Person's class is no longer offered under this policy;
- 7) the date a Person no longer qualifies for a Leave of Absence or participation in an eligible class, as stated in the Schedule of Benefits; or
- 8) the date a Person requests termination of coverage under this policy, but not prior to the date of request.

All terms and conditions of this policy will apply during the approved continuation period provided under this Section, unless otherwise stated. While Personal Insurance is being continued under this Section, the Person will be considered exempt from the requirements listed below:

- 1) the Actively at Work definition; and
- 2) the applicable number of hours needed to meet the requirement for Full-Time Employee, as stated in the Schedule of Benefits.

If the Policyholder has approved more than one type of Leave of Absence for the Person during any one period, AUL will consider such leaves to be concurrent for the purpose of determining how long the Person's coverage may continue under this policy.]

SECTION 6 - PREMIUM PAYMENT

PREMIUM PAYMENTS: As provided in the Application, the Policyholder is responsible for properly and accurately paying premiums to AUL on or before the Due Date. All premiums will be calculated and paid in U.S. dollars. At the request of the Policyholder and AUL's written approval, the interval of premium payments may be changed.

Overpayment of premium will not result in increases in any coverage amounts or additional benefits for the Policyholder or Person. If a Person has Contributory Insurance, premiums paid by the Person may be paid by means of payroll deduction administered by the Policyholder.

Premiums for a Person's coverage under this policy shall be owed beginning on the Person's Individual Effective Date of Insurance. Premiums will cease to be owed on the Person's individual termination date. However, premiums will continue to be owed for a Disabled Person who ceases work. [Premiums will continue to be owed until the date they are waived according to the Waiver of Premium provision.]

Monthly premiums for each Person will change automatically following attainment of each new age bracket. Each premium payment will include adjustments in past premiums for changes that have not previously been taken into account. Payment of any premium does not maintain the insurance in force beyond the end of the period for which it has been paid. Each premium payment is owed to AUL on or before its Due Date.

PREMIUM RATES: AUL reserves the right to change premium rates on any date:

- 1) after the Policyholder's coverage has been in effect for one year, by giving prior written notice to the Policyholder at least [31 days] before the effective date of the change;
- 2) the eligibility or benefit provisions are changed;
- 3) the number of Persons insured through the Policyholder changes by [10-25%] or more;
- 4) a division, unit, subsidiary or affiliate is added to, or deleted from, the Policyholder's coverage under this policy;
- 5) if the age or any other fact that affects the benefits for a Person or Policyholder has been misstated; or
- 6) there is a change in existing laws which affects the coverage offered under this policy.

One of the following definitions of Waiver of Premium will be used according to plan design:

[**WAIVER OF PREMIUM:** Premium payments will be waived for a Disabled Person beginning with the [first, 31st, 46th, 61st, 76th, 91st, 101st, 121st, 366th] day of Disability. Premiums will continue to be waived during any period that benefits are paid to a Person insured by this policy or any AUL Group Long Term or Short Term Disability Income policy if those policies were made available to the Person through employment with the Policyholder. [Premiums for coverage under this policy will be waived as described in this provision, provided the Disability claim is approved by AUL.] [If a Disabled Person returns to work before the end of his Elimination Period or his Benefit Eligibility Period, his premium payments will resume, but he will not be required to repay the waived premiums.]]

[**WAIVER OF PREMIUM:** Premium payments will be waived during any period for which the [Monthly][Weekly] Benefit is paid to a Disabled Person.]

SECTION 7 - GENERAL POLICY PROVISIONS

AGENCY: For all purposes of this policy, the Policyholder acts on behalf of itself or as agent for the Person. Under no circumstances will the Policyholder be deemed the agent of AUL.

AMENDMENT AND CHANGES: This policy may be amended in writing by mutual agreement between the Policyholder and AUL, but without prejudice to any loss incurred prior to the effective date of the amendment. No change in this policy is valid until approved by the Chief Executive Officer, President or Secretary of AUL. No agent has the authority to approve coverage, change this policy or waive any of its provisions.

ASSIGNMENT: No assignment of any present or future right or benefit under this policy will bind AUL without its prior written consent and when permitted under applicable laws.

CERTIFICATES: AUL will issue a certificate for delivery by the Policyholder to the insured Persons. The certificate will summarize the Person's coverage under this policy and will state:

- 1) the benefits provided; and
- 2) to whom the benefits are payable.

If there is any discrepancy between the provisions of any marketing materials, plan documents, certificate, and the provisions of this policy, the provisions of this policy will govern.

CLERICAL ERROR: If a clerical error is made in keeping records on the coverage under this policy, it will not affect otherwise valid insurance. A clerical error does not continue insurance which is otherwise terminated, make insurance effective when it should not have been or change the amount of insurance provided by the provisions of this policy.

CONFORMITY WITH STATE LAWS: Any provision of this policy in conflict with the laws of the state in which it is delivered, is amended to conform to the minimum requirements of those laws.

DATA AND RECORDS: The Policyholder must promptly furnish all information/documentation that AUL reasonably requires. The Policyholder must furnish all relevant information to AUL about Persons:

- 1) who qualify to become insured or are eligible for benefits; and/or
- 2) whose amounts of insurance change; and/or
- 3) whose insurance terminates.

At any reasonable time, AUL or its representatives shall have the right to inspect the records of the Policyholder that, in the opinion of AUL, may have a bearing on the insurance coverage provided under this policy.

SECTION 7 - GENERAL POLICY PROVISIONS

ENTIRE CONTRACT: This policy, the application/enrollment forms of the Persons, the Application of the Policyholder, and any amendments made from time to time constitute the entire contract.

GRACE PERIOD: If the Policyholder or AUL does not give notice in writing that coverage under this policy is to be terminated due to unpaid premium, a Grace Period of [31 days] will be granted for the payment of any premium owed after the first premium Due Date. During the Grace Period, this policy will continue in force but will automatically terminate on the last day of the Grace Period. The Policyholder is liable to AUL for payment of premiums for the days of grace during which this policy remains in force. AUL is not obligated to pay claims incurred during the Grace Period until the premium owed is received.

INSURANCE FRAUD: AUL wants to ensure that its customers do not incur additional insurance costs as a result of the act of insurance fraud. Applicable state laws require AUL to undertake measures to detect, investigate and pursue prosecution for fraud.

[Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.]

MISSTATEMENT OF FACTS: If the age or any other fact that affects the benefits for a Person or Policyholder has been misstated, the benefits will be payable based on the true facts. Premium adjustment will be made so that AUL will receive the actual premium required based on the true facts.

SECTION 7 – GENERAL POLICY PROVISIONS

[REHABILITATION: The goal of a rehabilitation program is to enable the Person to return to work. The Person may choose to join a vocational rehabilitative program while receiving Disability benefits, if prior approval is given in writing by AUL. If the program is approved in advance by AUL, such participation will not alone be deemed recovery from Disability. By mutual written agreement, AUL may help pay the Person's expenses for taking part in the rehabilitation program. Rehabilitation is strictly voluntary and there is no penalty for refusal.]

RELATIONSHIP: AUL and the Policyholder are, and will remain, independent contractors. Nothing in this policy or the Application shall be construed as making the parties joint venturers or as creating a relationship of employer and employee, master and servant or principal and agent. Neither party has any power, right or authority to bind the other or to assume or create any obligation or responsibility on behalf of the other. AUL and the Policyholders each retain exclusive control of their time and methods to perform their respective duties. AUL and the Policyholder will employ, pay and supervise their own employees and pay their own expenses. The Policyholder is required to familiarize itself with all relevant state and federal laws including applicable banking, MEWA, plan sponsor, plan administrator, and fiduciary laws. Any violation of federal or state law will require Policyholder to reimburse AUL for any and all damages or fines imposed on AUL as well as AUL's reasonable attorney's fees incurred due to Policyholder's violations and/or any violations incurred by any representative of Policyholder, in which AUL is made party thereof.

STATEMENTS MADE IN AN APPLICATION: All statements in an application or Group Statement of Insurability made by the Policyholder or insured Persons shall be deemed representations and not warranties. No such statements will be used to reduce or deny any claim or to cancel the Person's coverage unless:

- 1) the statement is in writing; and
- 2) a copy of that statement is given to the Person or to his personal representative.

INCONTESTABILITY: The validity of any coverage under this policy may not be contested, except in the case of fraud or for nonpayment of premiums, after the Personal Insurance has been in force for two years from the Person's Individual Effective Date of Insurance. Additionally, if the validity of any coverage under this policy is contested due to a misrepresentation of a material fact during the first two years after the Person's Individual Effective Date of Insurance, no statement made by a Policyholder or a Person relating to his insurability may be used in contesting the validity of the insurance unless the statement is contained in a written instrument signed by the Person.

All statements made by a Policyholder or a Person are to be deemed representations and not warranties, and that other than a misrepresentation of a material fact no statement made by any Person may be used in any contest unless a copy of the instrument containing the statement is or has been furnished to the Person or, in the event of death or incapacity of the Person, to the Person's personal representative.

Notwithstanding the foregoing, AUL is not precluded from asserting at any time any defenses based upon provisions in this policy relating to eligibility for coverage.

WORKERS' COMPENSATION AND WORKMEN'S COMPENSATION NOT AFFECTED: This policy is not in lieu of, and does not affect any requirement for coverage by Workers' or Workmen's Compensation Insurance.

SECTION 7A - CLAIM PROCEDURES

INITIAL NOTICE OF DISABILITY: Written notice of Disability must be given to AUL during the Elimination Period. If written notice cannot be made during the Elimination Period without the fault of the claimant, AUL must be notified as soon as it is reasonably possible to do so. Written notice should contain sufficient information to identify the Person. Notices are not considered given until received by AUL at its Home Office in Indianapolis, Indiana, by one of its Claims offices, or by its third party administrator.

CLAIM FORMS FOR PROOF OF LOSS: Upon receipt of the Initial Notice of Disability, AUL will furnish the Policyholder with any necessary claim forms to be given to the Person. These forms must be properly, accurately and truthfully completed and returned to AUL or its third party administrator. If, for any reason, the Person does not receive a claim form within [15] days of request, the Person should submit written proof of Disability. The initial claim form or proof of Disability must show:

- 1) the claimant's name;
- 2) the Employer's name and address;
- 3) the policy number;
- 4) the date Disability started;
- 5) the cause of Disability;
- 6) the nature and extent of the Disability
- 7) that the claimant is under the appropriate care of a doctor;
- 8) the appropriate documentation of the claimant's earnings and activities; and
- 9) the name and address of any hospital, health provider, health facility or institution where the claimant has received treatment, including the names of all attending and treating doctors.

The initial claim form or proof of Disability must be signed by a Physician and sent to AUL within [90] calendar days of the end of the Elimination Period. If it is not possible to give proof within these limits, it must be given as soon as reasonably possible. Proof of claim may not be given later than one year after the time proof is otherwise required[, except in the absence of legal capacity].

AUL will also periodically send the Person additional claim forms or requests for information necessary to determine eligibility for benefits under this policy. These subsequent completed claim forms and requests for information must be returned to AUL within [30] days after the Person receives them. If requested forms and/or information are not received from the Person, AUL reserves the right to deny continued benefits for failure to provide proof of continuous disability as required by this policy.

PHYSICAL EXAMINATION: AUL, at its own expense, has the right to have a Person examined, hospitalized and/or tested to determine the existence of any Disability that is the basis for a claim. This right may be exercised as often as is reasonably necessary, as determined by AUL, and must be performed by a Physician of AUL's choice. If the Person fails to comply with AUL's requests for Physical Examination, AUL reserves the right to deny benefits.

SECTION 7A - CLAIM PROCEDURES

LEGAL ACTION: No legal action may be brought to obtain benefits or a refund of premium paid under this policy:

- 1) for at least [60 days] after proof of loss or entitlement to a premium refund has been furnished; [or]
- 2) [before any denial or reduction of benefits by AUL has been appealed properly in writing; or]
- 3) beyond the expiration of the applicable statute of limitations from the time proof of loss or entitlement to a premium refund is required to be given. If no statute of limitations is given, then after [3 years] following the expiration of the time within which proof of loss or entitlement to a premium refund is required by the Policyholder.

TIME OF PAYMENT OF CLAIMS: When AUL receives a claim form or proof of Disability, benefits payable under this policy will be paid [monthly] [weekly] during any period for which AUL is liable.

PAYMENT OF CLAIMS: All benefits, other than any survivor benefits, are payable to a Person. If a Person dies before a benefit to which he was entitled is paid, AUL has the right to pay up to [\$1,000 - \$10,000] to any of the Person's relatives to whom AUL considers entitled to such benefits. If AUL pays benefits in good faith to a person who it considers entitled to such benefits, then AUL will have no obligation to pay such benefits again. The [Monthly] [Weekly] Benefit will be calculated and paid in United States dollars, and when necessary, it will be based on the exchange rate effective on the first day of the Elimination Period.

SECTION 7A - CLAIM PROCEDURES

[RIGHT TO APPEAL: When this policy is governed by ERISA, if a Person wishes to appeal the decision made by AUL or its third party administrator, claimants are allowed 180 days following receipt of a notification of an adverse benefit determination within which to appeal the determination. Claimants are allowed the opportunity to submit written comments, documents, records and other information relating to the claim for benefits. The claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim for benefits. Whether a document, record or other information is relevant to a claim for benefits shall be determined by reference to paragraph (m)(8) of 29 C.F.R. § 2560.503-1. AUL's review will take into account all written comments, documents, records and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination. A claimant has a right to obtain the information about any voluntary appeal procedures offered by the plan described in paragraph (c)(3)(iv) of 29 C.F.R. § 2560.503-1 and has a right to bring an action under section 502(a) of ERISA. A final determination will be provided pursuant to 29 C.F.R. § 2560.503-1.

If you are dissatisfied with the resolution reached through AUL's internal grievance system regarding medical necessity, you may contact the Director, Office of the Health Care Ombudsman and Bill of Rights at the following:

[For Medical Necessity cases, District of Columbia Department of Health Care Finance
Office of the Health Care Ombudsman and Bill of Rights
899 North Capital Street, N.E.
6th Floor
Washington, D.C. 20002
1 (877) 685-6391
Fax: (202) 478-1397]

If you are dissatisfied with the resolution reached through AUL's internal grievance system regarding all other grievances, you may contact the Commissioner at the following:

[For Non-Medical Necessity cases, Commissioner, Department of Insurance
Department of Insurance, Securities and Banking
810 First St. N.E., 7th Floor
Washington, D.C. 20002
(202) 727-8000
Fax: (202) 354-1085]]

[RIGHT OF RECOVERY: If benefits have been received for which the Person was not entitled to receive under this policy, then full reimbursement to AUL is required. Such reimbursement is required whether the overpayment is due to intentional or innocent misrepresentations by the Person, intentional or innocent misrepresentations by an entity supplying AUL with information, a claims processing error or miscalculation by AUL or for any other reason. If reimbursement is not made, then AUL has the right, as allowed under law to:

- 1) reduce future benefits or any amounts payable under all other AUL insurance contracts insuring the Person until full reimbursement is made, and
- 2) recover such overpayments from the Person or his estate.

If AUL chooses not to use benefit payments towards the reimbursement, this will not constitute a waiver of AUL's rights to reimbursement. This provision will be in addition to, and not in lieu of, any other compensation available to AUL by law.]

SECTION 7A - CLAIM PROCEDURES

[SUBROGATION RIGHTS: AUL has the right to be subrogated to any rights a Person may have against a Third Party. AUL may, at its option, bring legal action to recover benefits it paid in connection with a Person's Disability. AUL may do this if a Person:

- 1) suffers a Disability and, because of any act or omission of a Third Party, becomes entitled to and is paid benefits under this policy; and
- 2) does not initiate legal action for the recovery of such benefits from the Third Party within a reasonable period of time.]

[ARBITRATION: The Person may waive any rights to a trial in court, including the right to a jury trial, and any controversy or claim arising out of or relating to this policy, the sale or solicitation of this policy, or its breach thereof whether in tort, contract, breach of duty (including but not limited to) any alleged fiduciary, good faith and fair dealing duties, may be decided by arbitration in accordance with the Federal Arbitration Act, the procedures of the commercial arbitration rules of the American Arbitration Association, and this agreement. The Court of Arbitrators, which is to be held in the county seat where the Person resides, shall consist of three arbitrators familiar with employee welfare benefit plans. The selection of the arbitrators shall be conducted within 30 days after proper service of a demand for arbitration. One of the arbitrators shall be appointed by AUL, one by the insured, and the third shall be selected by the first two appointees prior to the beginning of arbitration. Should the two arbitrators be unable to agree upon the choice of a third, the appointment shall be left to the President or any Vice President of the American Arbitration Association. The arbitrators shall decide by a majority of votes, the award shall be in writing, the decision shall be signed by a majority of the arbitrators, and they shall include a statement regarding the reasons for the disposition of any claim. Arbitration is pursuant to D.C. law and the arbitrators can award consequential or punitive damages. Judgment on the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The parties are not precluded from challenging the decision under the Federal Arbitration Act or applicable law. Unless not allowed under applicable law, each party shall bear the expense of its own attorney and arbitrator, and shall share equally with the other party the expenses of the third arbitrator and of the arbitration.

The parties agree that AUL is engaged in interstate commerce, and the transaction is governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16.

Consistent with the expedited nature of arbitration, each party will, upon the written request of the other party, promptly provide the other with copies of documents relevant to the issues raised by any claim or counterclaim on which the producing party may rely in support of or in opposition to any claim or defense. Any dispute regarding discovery, or the relevance or scope thereof, shall be determined by the arbitrator(s), which determination shall be conclusive. All discovery shall be completed within 60 days following the appointment of the arbitrator(s) or longer following mutual agreement by the parties.]

SECTION 8 - INSURING PROVISIONS

Refer to **ELIMINATION PERIOD** in the Schedule of Benefits to determine what class or option includes the **FIRST DAY HOSPITAL** benefit.

[MONTHLY][WEEKLY] BENEFIT PAYMENTS: AUL will pay Disability benefits, according to this policy, if a Person becomes Disabled while insured by this policy. AUL must receive proof that a Person is Disabled due to Sickness or Injury and requires the Regular Attendance of a legally qualified Physician. AUL will pay the Person a [Monthly][Weekly] Benefit after the Person satisfies the Elimination Period. The Elimination Period may be satisfied by [Total Disability.][Total Disability, Partial Disability, or a combination of both.] [If a Person is Totally Disabled and hospital confined for 24 hours or more with room and board charges [or requires Outpatient Surgery] during the Elimination Period due to an Injury or Sickness resulting in a covered Disability, benefits will be payable from the first day of that confinement.]

The [Monthly] [Weekly] Benefit will be paid as long as Disability continues; provided that proof of continued Disability is submitted to AUL upon request and the Person is under the Regular Attendance and care of a Physician. The proof must be submitted at the Person's expense. [Monthly][Weekly] Benefits will not be paid during any period that a Person is incarcerated in a penal or correctional institution.

The [Monthly][Weekly] Benefit will not exceed the Maximum [Monthly][Weekly] Benefit, nor will it be payable for longer than the Maximum Benefit Duration. The Maximum [Monthly][Weekly] Benefit and the Maximum Benefit Duration are stated in the Schedule of Benefits.

[MEDICAL TREATMENT BENEFIT: A medical treatment benefit may be paid if the Person received treatment by a Physician as a result of a Non-disabling Sickness or Injury. The medical treatment benefit will be the lesser of:

- 1) [\$50] for service charges rendered due to Sickness;
- 2) [\$100] for service charges rendered due to Injury; or
- 3) The Physician's actual charge for services rendered.

In addition, the charges must be for Medically Necessary care and treatment and in keeping with the extent of the Sickness or Injury. No benefit will be paid unless the Person is personally seen and treated by a Physician and the treatment is not for routine medical examinations or dental work.

The maximum Medical Treatment Benefit amount payable is [\$50-\$500] annually.]

[PRORATING OF MONTHLY BENEFIT: The eligible Monthly Benefit will be paid on a monthly basis. For any period of Disability less than one month, the Monthly Benefit will be paid on a pro-rata basis at the rate of 1/30 per day.]

One of the following methods for Prorating the Weekly Benefit will be used according to plan design:

[PRORATING OF THE WEEKLY BENEFIT: The eligible Weekly Benefit will be paid on a weekly basis. For any period of Disability less than one week, the Weekly Benefit payment will be paid on a pro-rata basis at the rate of [1/5][1/7] per day.]

[PRORATING OF MONTHLY BENEFIT: [The eligible Monthly Benefit will be paid on a weekly basis. To determine the weekly payment, the Monthly Benefit will be multiplied by 12, then divided by 52. For any period of Disability less than one week, the weekly benefit payment will be paid on a pro-rata basis at the rate of 1/7 per day.]

[REDUCTIONS TO THE [MONTHLY][WEEKLY] BENEFIT: Other Income Benefits will reduce the [Monthly] [Weekly]Benefit as defined in this certificate. The Social Security Integration Method used is stated in the Schedule of Benefits.]

SECTION 8 - INSURING PROVISIONS

*Refer to **SOCIAL SECURITY INTEGRATION** in the Schedule of Benefits to determine which [Monthly][Weekly] Benefit calculation method to use).*

[[MONTHLY][WEEKLY] BENEFITS: To figure the amount of the Total Disability Benefit if a Direct Primary or Family Social Security integration method is stated on the Schedule of Benefits, take the Person's [Monthly][Weekly] Benefit and reduce the result by Other Income Benefits.]

[[MONTHLY][WEEKLY] BENEFITS: To figure the amount of the Total Disability Benefit if an All Sources integration method is stated on the Schedule of Benefits, take the lesser of the following amounts:

- 1) the Person's [Monthly][Weekly] Benefit;
- 2) the Person's [Monthly][Weekly] Earnings multiplied by the All Sources Benefit Percentage as stated on the Schedule of Benefits less Other Income Benefits as defined in this policy; or
- 3) the Maximum [Monthly][Weekly] Benefit as stated in the Schedule of Benefits.]

SECTION 8 - INSURING PROVISIONS

[This Section applies when the Maximum Benefit Duration is one year or greater.]

[SOCIAL SECURITY INCENTIVE: For the [first month][first [2-12] months] of entitlement to Social Security benefits, AUL will not reduce the Monthly Benefit by the Social Security monthly benefit. If Social Security benefits are paid in a lump sum, the Lump Sum Payments provision will apply.]

SECTION 8 - INSURING PROVISIONS

[LUMP SUM PAYMENTS: Other Income Benefits that are paid in a lump sum, excluding benefits received from the Employer's Retirement Plan, will be prorated by AUL over the stated period of time the lump sum was projected to apply. Lumps sums projected to cover the Person's life expectancy will be prorated based on appropriate actuarial tables. If the projected period of time that a lump sum is intended to cover is not stated, the lump sum will be prorated over a period of 60 months.

A lump sum payment from an Employer's Retirement Plan will be prorated over 60 months. However, if such lump sum is rolled to an annuity or retirement account that does not pay a benefit prior to the end of the Maximum Benefit Duration stated in the Schedule of Benefits, then the Gross Monthly Benefit will not be reduced by that lump sum payment.

Regardless of how benefits from the Employer's Retirement Plan are distributed, AUL will treat contributions made by the Person and Policyholder as if they were distributed simultaneously throughout the Person's lifetime.]

[APPLICATION FOR OTHER INCOME BENEFITS: If the Person, Spouse or Child(ren) are or become eligible for any Other Income Benefit, they must:

- 1) apply for the Other Income Benefits; and
- 2) appeal any denial for the Other Income Benefit that appears unreasonable.

Until approval or denial of any Other Income Benefits for any Disability is determined, AUL will make payments as indicated below.

One of the following payment methods will be used according to plan design.

[AUL will pay the [Monthly][Weekly] Benefit after the Elimination Period, with no reduction for estimated benefits until the appropriate entity has reached a decision. When a decision is reached, the Person must send AUL a copy of the determination and reimburse AUL for any overpayment made as a result of that decision, regardless of whether or not the coverage is still in force on the date the Person recovers such amount.

Additionally, if an award is made, AUL will reduce the [Monthly][Weekly] Benefit by the amount of the Other Income Benefits the Person received, in accordance with the terms of this policy.]

[Payments will be made under either Method A or B below, as chosen by the Person in a written agreement provided by AUL.

Method A: AUL will estimate the Other Income Benefits that will be received and reduce the regular Monthly Benefit by this amount. If Other Income Benefits are estimated, the Person's regular Monthly Benefit will be adjusted when AUL receives proof of the amount awarded or that benefits have been denied. If the application is denied, the amount withheld based upon estimates will be returned to the Person in a lump sum. During subsequent appeals of denial of benefits Method B will be used.

Method B: AUL will pay the regular Monthly Benefit after the Elimination Period, with no reduction for estimated benefits, until the appropriate entity reaches a decision. When a decision is reached, the Person must send AUL a copy of the determination and reimburse AUL for any overpayment made as a result of that decision, regardless of whether or not the coverage is still in force on the date the Person recovers such amount. Additionally, if an award is made, AUL will reduce the Monthly Benefit by the amount of the Other Income Benefits the Person received, in accordance with the terms of this policy. If the Person chooses Method B and has not applied for the Other Income Benefits for which he may be entitled, the Person must agree to apply for such benefits immediately. If the Person does not apply for the Other Income Benefits immediately, AUL will automatically use Method A.]]

SECTION 8 - INSURING PROVISIONS

SOCIAL SECURITY APPLICATION ASSISTANCE. When AUL determines that a Person is a likely candidate for Social Security Disability Insurance (SSDI), AUL may assist the Person with the application process for these benefits.

Upon written request, a representative from AUL's Group Claims Department may supply pertinent information to the Person about:

- 1) eligibility for SSDI benefits;
- 2) how to begin the application process;
- 3) how to submit an appeal;
- 4) guidelines established by the Social Security Administration for submitting appeals; and
- 5) names of organizations offering assistance.

SECTION 8 - INSURING PROVISIONS

[MINIMUM [MONTHLY] [WEEKLY] BENEFIT: While a [Monthly] [Weekly] Benefit is payable under this policy, the [Monthly] [Weekly] Benefit shall not be reduced to an amount less than the minimum [Monthly] [Weekly] Benefit indicated in the Schedule of Benefits.]

[COST OF LIVING ADJUSTMENT FREEZE: If the Person receives a cost of living increase, with regard to Other Income Benefits, after the date benefits actually become payable under this policy, the [Monthly] [Weekly] Benefit will not be further reduced by such cost of living increase. For purposes of this provision, a cost of living increase is any annual increase reasonably related to the annual increase in any generally recognized cost of living measurement that applies to all Persons who are entitled to receive such benefits.]

TERMINATION OF THE [MONTHLY][WEEKLY] BENEFIT: The [Monthly][Weekly] Benefit will cease on the EARLIEST of the following: [

- 1) the date Current [Monthly][weekly] Income equals or exceeds [60%-80%] of the Indexed Pre-disability Earnings;]
- 2) the date that the Person ceases to be Disabled;
- 3) the date the Person dies;
- 4) the date the Maximum Benefit Duration stated in the Schedule of Benefits is completed;
- 5) the date the Person fails to give AUL required proof of Disability or information required by AUL to determine if any benefits are owed under this policy;
- 6) the date the Person refuses to allow an examination requested by AUL;
- 7) the date the Person is no longer under the Regular Attendance and care of a Physician; [or]
- 8) the date the Person refuses to provide any evidence required by AUL to verify the Person's Current [Monthly] [Weekly] Income[; or
- 9) the date the Person leaves the United States or Canada and establishes his residence in any other country. A Person will be considered to reside outside these countries when the Person has been outside the United States or Canada for a total period of [3-24 months][12-104 weeks] or more during any [[3-24] consecutive Monthly][[12-104] consecutively Weekly] Benefit payments].

[One of the following Accumulation of Elimination Period provisions will be used according to plan design:

[ACCUMULATION OF ELIMINATION PERIOD: For the purposes of accumulating the Elimination Period the following will apply:

- 1) For Policyholders with Elimination Periods of [90 days or more], if [Total] Disability ceases during the Elimination Period for not more than [30 days], then the [Total] Disability will be treated as continuous.
- 2) For Policyholders with Elimination Periods of [60 days], if [Total] Disability ceases during the Elimination Period for not more than [20 days], then the [Total] Disability will be treated as continuous.
- 3) For Policyholders with Elimination Periods of [30 days], if [Total] Disability ceases during the Elimination Period for not more than [10 days], then the [Total] Disability will be treated as continuous.
- 4) Days that the Person is not [Totally] Disabled under either (1), (2), or (3) above will not count toward the Elimination Period.]

[ACCUMULATION OF ELIMINATION PERIOD: For the purposes of accumulating the Elimination Period for Policyholders with Elimination Periods of [90] days, if the Person satisfies the Elimination Period within [180] days, then the [Total] Disability will be treated as continuous.]

[ACCUMULATION OF ELIMINATION PERIOD: For the purposes of accumulating the Elimination Period for Policyholders with Elimination Periods of:

- 1) [90] days for Injury, if the Person satisfies the Elimination Period within [180] days, then the [Total] Disability will be treated as continuous; and
- 2) [90] days for Sickness, if the Person satisfies the Elimination Period within [180] days, then the [Total] Disability will be treated as continuous.]

[The ACCUMULATION OF THE ELIMINATION PERIOD provision is only applicable as long as the Policyholder's coverage remains in force with AUL.]

SECTION 8 - INSURING PROVISIONS

[RESIDUAL BENEFIT: If the residual benefit is elected by the Policyholder, then the Elimination Period can be met using Total Disability, Partial Disability, or a combination of both.]

[RECURRENT DISABILITY: If, after a period of Disability for which benefits are payable, the Person resumes [his Regular [Occupation][Job]] [Any Occupation] as a Full-Time Employee and performs each Material and Substantial Duty of that [Occupation][Job] for [a continuous period of [3-6 months] or more] [[14-120] consecutive days of full-time work], any Recurrent Disability will be part of a new period of Disability and a new Elimination Period must be completed before any further [Monthly][Weekly] Benefits are payable.

If the Person resumes [his Regular [Occupation][Job]] [Any Occupation] as a Full-Time Employee and performs each Material and Substantial Duty of that [Occupation] [Job] for less than [[3-6] months] [[14-120] consecutive days] of full-time work, a Recurrent Disability will be part of the same period of Disability. The Recurrent Disability must be the direct result of the Injury or Sickness that caused the prior Disability. The Person will not have to complete a new Elimination Period. Benefit payments will be subject to the terms of this policy for the prior Disability. The benefit will be based on the amount of [Basic [Monthly][Weekly] Earnings][[Monthly][Weekly] Benefit] in effect immediately prior to the original Elimination Period.

In order to prevent over-insurance because of duplication of benefits, benefits payable under the Recurrent Disability provision will cease if benefits are payable to the Person under any other group [short term][long term] disability policy.

The Recurrent Disability provision in this Section is only applicable as long as the Policyholder's coverage remains in force with AUL.]

SECTION 8 - INSURING PROVISIONS

[PRESUMPTIVE DISABILITY: When a Person is Partially Disabled and his Current [Monthly][Weekly] Income is [5%-20%] or less than his Indexed Pre-Disability Earnings, AUL will not reduce the [Monthly][Weekly] Benefit by Current [Monthly][Weekly] Income.

[BENEFITS WHILE PARTIALLY DISABLED: When proof is received that a Person is Partially Disabled, then the [Return to Work and Partial Disability Benefits apply][Partial Disability Benefit applies][Return to Work Benefit applies]. Benefits are payable following completion of the Elimination Period. The Partial Disability must be the direct result of the Injury or Sickness that caused the Disability immediately preceding it.]

One of the following Return to Work Benefit provisions will be used according to plan design:

For Maximum Benefit Durations of two (2) years or more:

[[RETURN TO WORK BENEFIT: While Partial Disability continues, this benefit will apply until the end of a [12-36] month period following return to work beginning on the first day that the Monthly Benefit is payable for Partial Disability.]

For Maximum Benefit Durations of 104 weeks or less:

[RETURN TO WORK BENEFIT: While Partial Disability continues, this benefit will apply until the end of the number of [months][weeks] that is one-half of the Maximum Benefit Duration following return to work beginning on the first day that the [Monthly][Weekly] Benefit is payable for Partial Disability.]

Unlimited Return to Work Benefit (no Partial Disability)

[RETURN TO WORK BENEFIT: While Partial Disability continues, this benefit will apply following return to work beginning on the first day that the Monthly Benefit is payable for Partial Disability.]

Under this Return to Work Benefit, Current Monthly Income will not reduce the Monthly Benefit, unless the Current Monthly Income, combined with income from all other sources including the Monthly Benefit, exceeds 100% of the Pre-Disability Earnings. If the combined income exceeds this amount, the Monthly Benefit will be reduced by any amount that is in excess of 100% of the Pre-Disability Earnings.]

SECTION 8 - INSURING PROVISIONS

One of the following calculations for Partial Disability will be used according to plan design:

[PARTIAL DISABILITY BENEFIT: [Upon completion of the Return to Work Benefit period, the][The] benefit for Partial Disability will be calculated:]

- 1) [as $a \times b \times 70\%$ where:
 - a) a = Basic [Monthly][Weekly] Earnings less [Other Income Benefits] [Current [Monthly][Weekly] Income] a Person receives while he is Partially Disabled; and
 - b) b = Gross [Monthly][Weekly] Benefit divided by the benefit percentage stated on the Schedule of Benefits divided by the Basic [Monthly][Weekly] Earnings.]]]
 - 2) as follows:
 - a) Subtract the Person's Current [Monthly][Weekly] Income from the Person's Indexed Pre-Disability Earnings.
 - b) Divide the answer in Item 2a) by the Person's Indexed Pre-Disability Earnings. The result is the Person's percentage of lost earnings.
 - c) From the Person's Gross [Monthly][Weekly] Benefit, subtract any [Other Income Benefits] [Current [Monthly][Weekly] Income];
 - d) Multiply the answer in Item 2b) by the answer in Item 2c). This is the Person's benefit for Partial Disability.]]]
 - 3) as follows:
 - a) Multiply the Person's Current [Monthly][Weekly] Income by 50%.
 - b) From the Person's Gross [Monthly][Weekly] Benefit, subtract the answer in Item 3a) and any [Other Income Benefits] [Current [Monthly][Weekly] Income]. This is the Person's benefit for Partial Disability.]

Benefits for [Return to Work and] Partial Disability will never exceed the Person's Maximum [Monthly][Weekly] Benefit as shown on the Schedule of Benefits[, nor be less than the Minimum [Monthly][Weekly] Benefit as shown on the Schedule of Benefits]. The [Return to Work Benefit and the] Partial Disability Benefit will continue as shown above until the EARLIEST of the date:

- 1) the Person ceases to be Partially Disabled;
- 2) the Person dies;
- 3) the Maximum Benefit Duration, as shown on the Schedule of Benefits, is completed;
- 4) the Person fails to give AUL required proof of Disability or information required by AUL to determine if any benefits are owed under this policy;
- 5) the Person refuses to allow an examination requested by AUL;
- 6) the Person is no longer under the Regular Attendance and care of a Physician;[or]
- 7) the Person refuses to provide any evidence required by AUL to verify the Person's Current [Monthly][Weekly] Income; or
- 8) the Person leaves the United States or Canada and establishes his residence in another country. A Person will be considered to reside outside these countries when the Person has been outside the United States or Canada for a total period of [3-24] months or more during any [3-24] consecutive months of benefits].

For purposes of the [Return to Work Benefit and the] Partial Disability Benefit provision[s], Pre-Disability Earnings will be increased annually using the Consumer Price Index. The increase will be effective on the [July 1st] following the first 12 consecutive calendar months of Disability and on each subsequent [July 1st]. The annual increase is only to determine eligibility and will not increase the Return to Work Benefit or Partial Disability Benefit.

AUL may require any evidence needed to verify the Person's earnings and proof of continuing Disability.]

SECTION 8 - INSURING PROVISIONS

*[This Section may apply when the Maximum Benefit Duration is one year or greater. Refer to **ACCIDENTAL DISMEMBERMENT AND LOSS OF SIGHT** in the Schedule of Benefits to determine if applicable to any class(es) or options(s).]*

ACCIDENTAL DISMEMBERMENT AND LOSS OF SIGHT:

If an accidental Injury:

- 1) occurs while the Person is insured under this policy; and
- 2) results in any of the losses shown in the schedule below within 100 days after the date of Injury,

then AUL will pay the Monthly Benefit to the Person for the longer of:

- 1) The number of payments listed on the schedule below; or
- 2) The number of months the Person remains Disabled, not to exceed the Maximum Benefit Duration.

Payment of this benefit will not be subject to completion of the Elimination Period. However, after the Elimination Period has been completed, this benefit will be paid in lieu of the regular Monthly Benefit, not in addition to it. If the Person returns to work, AUL will continue to pay the scheduled Monthly Benefit payments, not to exceed the maximum number of Monthly Benefit payments in the schedule below. The Monthly Benefit will not be reduced by any Current Monthly Income received from the Policyholder after the Person returns to work. If the Person dies, the Monthly Benefit payments will cease.

SCHEDULE OF MONTHLY BENEFIT PAYMENTS

FOR LOSS OF:	NUMBER OF MONTHLY BENEFIT PAYMENTS*
Sight of both eyes	[46]
Both hands	[46]
Both feet	[46]
One hand and one foot	[46]
One hand and sight of one eye	[46]
One foot and sight of one eye	[46]
One hand or one foot	[23]
Sight of one eye	[15]
Thumb and index finger of either hand	[12]

*Note: With regard to the above schedule, the maximum number of Monthly Benefit payments for all losses suffered in any one Injury shall be limited to the one loss that provides the greatest number of Monthly Benefit payments.

"Loss of hands and feet" means the loss by severance at or above the wrist or ankle joint.

"Loss of sight" means total and irrecoverable loss of sight.

"Loss of thumb and index finger" means actual severance at or above the knuckles joining each to the hand.]

SECTION 8 - INSURING PROVISIONS

[SURVIVOR BENEFIT: AUL will pay a lump sum benefit to the Eligible Survivor when proof acceptable to AUL, is received that the Person died:[

- 1) after Disability had continued for [180] or more consecutive days; and
- 2)]while the Person was receiving a Monthly Benefit.

The lump sum benefit will be an amount equal to [three (3)][six (6)] times the Person's last[Gross] Monthly Benefit.

If payment of a lump sum benefit becomes due to the Person's Child(ren) as an Eligible Survivor, payment will be made to the Child(ren) or to a Person entitled to receive payments on behalf of the Child(ren) under applicable law. Payment to such Person will be valid and effective against all claims of others representing or claiming to represent the Child(ren).

If there are no Eligible Survivors, then no lump sum benefit will be paid.]

ADVANCED SURVIVOR BENEFIT: The Person may receive an Advanced Survivor Benefit prior to the Person's death if he has been diagnosed with a Terminal Illness, while covered under this policy.

AUL will pay the Person a lump sum amount equal to [[1-2] year[s]] [[12-24] months] of the Person's Monthly Benefit [before any reduction for Other Income Benefits and Current Monthly Income] if:[

- 1) the Person has been diagnosed with a Terminal Illness[; and
- 2) the Person's Disability had continued for [180] or more consecutive days].

The Person's right to exercise this option and receive payment is subject to the following:

- 1) the Person must make this election in writing to AUL; and
- 2) the Person's Physician must certify in writing that the Person has a Terminal Illness.

This benefit is available to the Person on a voluntary basis and will be payable one time only under the Group Policy.

If the Person receives the Advanced Survivor Benefit prior to his death, it will be in lieu of any other Survivor Benefit under the Group Policy upon the Person's death.

SECTION 8 - INSURING PROVISIONS

[ORGAN TRANSPLANT PROCEDURE means the surgical removal of any one or more of a Person's organs for the purpose of transplanting to another individual.

ORGAN DONOR TRANSPLANT BENEFIT: AUL will pay a [Monthly][Weekly] Benefit [and an additional benefit of [5%-20%] of a Person's [Monthly][Weekly] Benefit] if a Person becomes Disabled as a result of an Organ Transplant Procedure while insured under this policy. Proof of the Disability must be received by AUL for review. Payment of this benefit will not be subject to satisfaction of the Pre-Existing Condition exclusion or limitation period.

TERMINATION: The Organ Donor Transplant Benefit will terminate the EARLIER of: [

- 1) the date Current [Monthly][Weekly] Income equals or exceed [60%-80%] of the Indexed Pre-disability Earnings;]
- 2) the date that the Person ceases to be Disabled;
- 3) the date the Person dies;
- 4) the date the Maximum Benefit Duration stated in the Schedule of Benefits is completed;
- 5) the date the Person fails to give AUL required proof of Disability or information required by AUL to determine if any benefits are owed under this policy;
- 6) the date the Person refuses to allow an examination requested by AUL;
- 7) the date the Person is no longer under the Regular Attendance and care of a Physician;[or]
- 8) the date the Person refuses to provide any evidence required by AUL to verify the Person's Current [Monthly] [Weekly] Income[; or
- 9) the date the Person leaves the United States or Canada and establishes his residence in any other country. A Person will be considered to reside outside these countries when the Person has been outside the United States or Canada for a total period of [[3-24] months][[12-104] weeks] or more during any [[3-24] consecutive Monthly][[12-104] consecutive Weekly] Benefit payments].

SECTION 9 - EXCLUSIONS

GENERAL EXCLUSIONS: This policy does not cover any Disability caused by, contributed to by, or resulting from:

- 1) participation in war or any act of war, declared or undeclared;
- 2) active participation in a riot;
- 3) attempted suicide, regardless of mental capacity;
- 4) attempted or actual self-inflicted bodily injury or self destruction, including but not limited to the voluntary inhaling or taking of:
 - a) poison; and
 - b) toxic fumes;
- 5) the voluntary use of illegal drugs;
- 6) the intentional taking of over the counter medication not in accordance with recommended dosage and warning instructions;
- 7) the intentional misuse of prescription drugs;
- 8) commission of or attempt to commit a criminal act under relevant state law;
- 9) Cosmetic Surgery. However, Cosmetic Surgery will be covered when it is due to:
 - a) reconstructive surgery incidental to, or follows surgery resulting from, trauma, infection or other diseases of the involved part; or
 - b) congenital disease or anomaly that has resulted in a functional defect;
- 10) a Person being legally intoxicated as defined by the law of the jurisdiction in which the incident occurs;
- 11) any event that occurs while a Person is incarcerated in a penal or correctional institution;
- 12) participation in any self asphyxiation method;
- 13) Surgery that is not Medically Necessary to treat a Sickness or Injury;
- 14) traveling or flying on any aircraft operated by or under authority of military or any aircraft being used for experimental purposes; or
- 15) engaging in any illegal or fraudulent occupation, work, or employment[; or
- 16) any Injury or Sickness due to employment, and for which benefits are payable by any type of Workers' or Workmen's Compensation Law or any similar act or law].

SECTION 9 - EXCLUSIONS

[PRE-EXISTING CONDITION [EXCLUSION][LIMITATION]: Tailored to the option chosen in the Schedule of Benefits and will apply to that Policyholder. Refer to **PRE-EXISTING EXCLUSION CONDITION DURATION** in the Schedule of Benefits to determine duration by class(es) and option(s).

[[Benefits will not be paid][A limited benefit will be paid] if the Person's Disability begins in the first [5, 30 days][6, 12 or 24 months] following the Person's Individual Effective Date of Insurance; and the Person's Disability is caused by, contributed to by, or the result of a condition, whether or not that condition is diagnosed at all or is misdiagnosed, for which[:][

- 1)]the Person received medical treatment, consultation, care or services, including diagnostic measures, or was prescribed drugs or medicines in the [30 days][3, 6, or 12 months] just prior to the Person's Individual Effective Date of Insurance[.]; or
- 2) the Person had symptoms for which an ordinarily prudent Person would have consulted a Physician in the [30 days] [3, 6 or 12 months] just prior to the Person's Individual Effective Date of Insurance.]]

[[Benefits will not be paid][A limited benefit will be paid] if the Person's Disability begins in the first [5, 30 days][6, 12, or 24 months] following the Person's Individual Effective Date of Insurance; and the Person's Disability is caused by, contributed to by, or the result of a condition, whether or not that condition is diagnosed at all or is misdiagnosed, for which[:][

- 1)]the Person received medical treatment, consultation, care or services, including diagnostic measures, or was prescribed drugs or medicines in the [30 days][3, 6 or 12 months] just prior to the Person's Individual Effective Date of Insurance; [or][and]
- 2) [the Person had symptoms for which an ordinarily prudent Person would have consulted a Physician in the [30 days] [3, 6 or 12 months] just prior to the Person's Individual Effective Date of Insurance; and]
- 3) the Person was not Treatment Free for [3, 6, or 12] consecutive months after the Person's Individual Effective Date of Insurance.]

[The [monthly][weekly] amount payable under this provision will be the lesser of:

- 1) the Person's [Monthly] [Weekly] Benefit payable if the Person did not have a Pre-Existing Condition; or
- 2) the Person's Gross [Monthly] [Weekly] Benefit multiplied by [10%-25%].

Benefits under this provision are payable for no more than [[1-6] month[s]][[4-26] weeks] during any one period of Disability. In no event will benefits be paid beyond the Maximum Benefit Duration.]]

SECTION 9 - EXCLUSIONS

[When this policy is replacing a Prior Plan of Franchise Coverage, the preceding Pre-Existing Condition [Exclusion][Limitation] provision will not apply to a Person:

- 1) who is listed on the prior carrier's Franchise Coverage billing statement within [1-90 day[s]] before the Policyholder's original Effective Date;
- 2) who requests coverage under this policy when he first becomes eligible for coverage; and
- 3) whose coverage under the Prior Plan terminated.]

SECTION 9 - EXCLUSIONS

[PRE-EXISTING CONDITION EXCLUSION ON AN INCREASED [MAXIMUM] [MONTHLY] [WEEKLY] BENEFIT[OR ANNUAL INCREASE IN BENEFIT]: This provision applies to an increase in the [Maximum] [Monthly] [Weekly] Benefit that occurs after the Policyholder's Effective Date.

This policy will not cover the amount of the increase in the [Maximum] [Monthly] [Weekly] benefit if the Person's Disability begins in the first [6, 12, 24] months following the effective date of the increase in coverage; and the Person's Disability is caused by, contributed to by, or the result of a condition, whether or not that condition is diagnosed at all or is misdiagnosed, for which[:][

- 1)]the Person received medical treatment, consultation, care or services, including diagnostic measures, or was prescribed drugs or medicines in the [3, 6, 12] months just prior to his effective date of increase in amount of insurance[.]; or
- 2) the Person had symptoms for which an ordinarily prudent Person would have consulted a Physician in the [3, 6, 12] months just prior to his effective date of increase in amount of insurance.]]

[PRE-EXISTING CONDITION EXCLUSION ON AN INCREASED BENEFIT WHEN CHANGING CARRIERS: This provision applies to an increase in the Maximum [Monthly] [Weekly] benefit when:

- 1) coverage under this policy replaces a Prior Plan; and
- 2) coverage under this policy has a Maximum [Monthly] [Weekly] benefit that is in excess of the Prior Plan.

This policy will not cover the amount of the increase in Maximum [Monthly] [Weekly] benefit if the Person's Disability begins in the first [6, 12, 24] months following the Policyholder's Effective Date; and the Person's Disability is caused by, contributed to by, or the result of a condition, whether or not that condition is diagnosed at all or is misdiagnosed, for which[:][

- 1)]the Person received medical treatment, consultation, care or services, including diagnostic measures, or was prescribed drugs or medicines in the [3, 6, 12] months just prior to his effective date of increase in amount of insurance[.]; or
- 2) the Person had symptoms for which an ordinarily prudent Person would have consulted a Physician in the [3, 6, 12] months just prior to the Policyholder's effective date of increase in amount of insurance.]]

[PRE-EXISTING CONDITION EXCLUSION FOR A CHANGE IN OPTIONS: This provision applies when a Person changes Options resulting in an increase in coverage after the Policyholder's Effective Date.

This policy will not cover the Person under the new Option if the Person's Disability begins in the first [6, 12, 24] months following the Effective Date of Change in Options; and the Person's Disability is caused by, contributed to by, or the result of a condition, whether or not that condition is diagnosed at all or is misdiagnosed, for which[:][

- 1)]the Person received medical treatment, consultation, care or services, including diagnostic measures, or was prescribed drugs or medicines in the [3, 6, 12] months just prior to the Effective Date of Change in Options[.]; or
- 2) the Person had symptoms for which an ordinarily prudent Person would have consulted a Physician in the [3, 6, 12] months just prior to the Effective Date of Change in the Option's increase in amount of insurance.]

A Person will receive benefits based on the Option he was previously insured under if eligible for such benefits according to the provisions applicable to that Option.]]

SECTION 10 - DRUG AND ALCOHOL ABUSE LIMITATION

*[This Section may apply when the Maximum Benefit Duration is one year or greater. Refer to **DRUG AND ALCOHOL ABUSE LIMITATION** in the Schedule of Benefits to determine if applicable to any class(es) or options(s).]*

DRUG AND ALCOHOL ABUSE LIMITATION: Monthly Benefits for Disability due to drug and alcohol abuse, whether or not benefits were originally sought because of the condition, will not be payable beyond the Maximum Benefit Duration. In addition, if the Maximum Benefit Duration is longer than [6-24] months, benefits for Disability due to drug and alcohol abuse will not exceed [6-24] months of Monthly Benefit payments. [Benefit payments for Disabilities due to drug and alcohol abuse are cumulative for the lifetime of the contract.]

The Monthly Benefit may be paid beyond [6-24] months if:

- 1) the Person is in a hospital or institution at the end of the [6-24] month period; and
- 2) confinement begins:
 - a) during the Elimination Period; or
 - b) during the [6-24] months next following the Elimination Period; and
- 3) confinement is for at least 14 consecutive calendar days.

The Monthly Benefit will be payable until the Person is discharged. If Disability continues after discharge, the Monthly Benefit will be payable for a recovery period not to exceed 90 days.

If the Person is re-confined in a hospital or institution for the same Sickness or Injury which caused the Disability, the Monthly Benefit will be payable during the re-confinement if:

- 1) it begins during the recovery period; and
- 2) it is for at least 14 consecutive calendar days.

If Disability continues after the Person is discharged from such a re-confinement, the Monthly Benefit will be payable for a final recovery period not to exceed 90 days.

For any period of confinement beyond those stated above, the Monthly Benefit will continue to be payable:

- 1) only if confinement is for at least 14 consecutive calendar days;
- 2) only until the Person is discharged; and
- 3) only if the Person is continuously Totally Disabled.

To be covered, confinement must be in a facility licensed to provide care and treatment for the disabling condition due to drug or alcohol abuse.]

SECTION 11 - SPECIAL CONDITIONS LIMITATION

*[This Section may apply when the Maximum Benefit Duration is one year or greater. Refer to **SPECIAL CONDITIONS LIMITATION** in the Schedule of Benefits to determine if applicable to any class(es) or option(s).*

SPECIAL CONDITIONS mean:

- 1) musculoskeletal and connective tissue disorders of the neck and back including any disease or disorder of the cervical, thoracic and lumbosacral back and its surrounding soft tissue including sprains and strains of joints and adjacent muscles, EXCEPT:
 - a) arthritis;
 - b) herniated intervertebral discs;
 - c) scoliosis;
 - d) spinal fractures;
 - e) osteopathies;
 - f) spinal tumors, malignancy, or vascular malformations;
 - g) radiculopathies, documented by electromyogram;
 - h) spondylolisthesis, grade II or higher;
 - i) myelopathies and myelitis;
 - j) demyelinating disease;
 - k) traumatic spinal cord neurosis;
 - l) myofascial pain syndrome;
- 2) chronic fatigue syndrome;
- 3) fibromyalgia;
- 4) carpal tunnel syndrome, or
- 5) environmental allergic illness, including but not limited to sick building syndrome and multiple chemical sensitivity.

SPECIAL CONDITIONS LIMITATION: Benefits for Disability due to Special Conditions, whether or not benefits were sought because of the condition, will not be payable beyond [6-24] months as stated on the Schedule of Benefits. [Benefit payments for Disabilities due to Special Conditions are cumulative for the lifetime of the contract.]

The Monthly Benefit may be paid beyond [6-24] months if:

- 1) the Person is in a hospital or institution at the end of the [6-24] month period, as chosen by the Policyholder on the Schedule of Benefits; and
- 2) confinement begins:
 - a) during the Elimination Period; or
 - b) during the [6-24] months, as stated by the Policyholder in the Schedule of Benefits, next following the Elimination Period; and
- 3) confinement is for at least 14 consecutive calendar days.

The Monthly Benefit will be payable until a Person is discharged. If Disability continues after discharge, this benefit will be payable for a recovery period not to exceed 90 days.

If a Person is re-confined in a hospital or institution for the same Sickness or Injury that caused the Disability, this benefit will be payable during the re-confinement if:

- 1) it begins during the recovery period; and
- 2) it is for at least 14 consecutive calendar days.]

SECTION 11 - SPECIAL CONDITIONS LIMITATION

*[This Section may apply when the Maximum Benefit Duration is one year or greater. Refer to **SPECIAL CONDITIONS LIMITATION** in the Schedule of Benefits to determine if applicable to any class(es) or options(s).*

[If Disability continues after a Person is discharged from this re-confinement, the Monthly Benefit will be payable for a final recovery period not to exceed 90 days.

For any period of confinement beyond those stated above, the Monthly Benefit will continue to be payable:

- 1) only if confinement is for at least 14 consecutive calendar days; and
- 2) only until a Person is discharged; and
- 3) only if a Person is continuously Disabled.

To be covered, confinement must be in a facility licensed to provide care and treatment for the disabling condition due to Special Conditions.]

SECTION 12 - MENTAL ILLNESS LIMITATION

*[This Section may apply when the Maximum Benefit Duration is one year or greater. Refer to **MENTAL ILLNESS LIMITATION** in the Schedule of Benefits to determine if applicable to any class(es) or options(s).]*

MENTAL ILLNESS LIMITATION: Monthly Benefits for Disability due to Mental Illness, whether or not benefits were originally sought because of the condition, will not be payable beyond the Maximum Benefit Duration. In addition, if the Maximum Benefit Duration is longer than [6-24] months, benefits for Disability due to Mental Illness will not exceed [6-24] months of Monthly Benefit payments. [Benefit payments for Disabilities due to Mental Illness are cumulative for the lifetime of the contract.]

The Monthly Benefit may be paid beyond such period if:

- 1) the Person is in a hospital or institution at the end of the [6-24] month period; and
- 2) confinement begins:
 - a) during the Elimination Period; or
 - b) during the [6-24] months next following the Elimination Period; and
- 3) confinement is for at least 14 consecutive calendar days.

The Monthly Benefit will be payable until the Person is discharged. If Disability continues after discharge, the Monthly Benefit will be payable for a recovery period not to exceed 90 days.

If the Person is re-confined in a hospital or institution for the same Sickness or Injury which caused the Disability, the Monthly Benefit will be payable during the re-confinement if:

- 1) it begins during the recovery period; and
- 2) it is for at least 14 consecutive calendar days.

If Disability continues after the Person is discharged from this re-confinement, the Monthly Benefit will be payable for a final recovery period not to exceed 90 days.

For any period of confinement beyond those stated above, the Monthly Benefit will continue to be payable

- 1) only if confinement is for at least 14 consecutive calendar days;
- 2) only until the Person is discharged; and
- 3) only if the Person is continuously Totally Disabled.

To be covered, confinement must be in a facility licensed to provide care and treatment for the disabling condition due to Mental Illness.

AUL will not apply the Mental Illness Limitation to a Disability due to dementia if it is a result of:

- 1) stroke;
- 2) trauma;
- 3) viral infection; or
- 4) Alzheimer's disease.]

SECTION 13 - CONTINUITY OF COVERAGE

*[Refer to **CONTINUITY OF COVERAGE** in the Schedule of Benefits to determine applicable class(es) or option(s).]*

WHEN REPLACING NON-FRANCHISE COVERAGE: This provision applies when coverage under this policy replaces a Policyholder's Prior Plan of non-Franchise Coverage that terminated on the day before the Policyholder's original Effective Date of coverage under this policy. This Section will apply only to Persons insured under the Policyholder's Prior Plan [on its termination date] [within [1-90] days before the Policyholder's original Effective Date].

Unless replacing a Prior Plan of AUL coverage with short or long term coverage, a Prior Plan must be replaced with:

- 1) a plan of long term coverage for long term coverage;
- 2) a plan of short term coverage for short term coverage; or
- 3) a plan that contains a short Elimination Period and a long term Maximum Benefit Duration.

Continuity of Coverage will apply to a Person who would not get coverage under this policy because of the following situations:

- 1) failure of a Person to be Actively at Work due to Disability[,] [or] [an approved Leave of Absence][,] [or] [a sabbatical][,] [or temporary layoff] on the Policyholder's Effective Date; or
- 2) a Pre-Existing Condition limitation or exclusion of this policy.

BENEFITS FOR A PERSON WHO FAILS TO BE ACTIVELY AT WORK DUE TO DISABILITY: This policy will insure, subject to proper premium payments, a Person who:

- 1) was insured under the Prior Plan on its termination date; and
- 2) is not Actively at Work due to Disability[,] [or] [an approved Leave of Absence][,] [or] [a sabbatical][,] [or temporary layoff] on the Policyholder's Effective Date.

Coverage under this provision will begin on the Policyholder's Effective Date and will continue until the EARLIEST of:

- 1) the [end of the month following the]date the Person returns to Active Work; or
- 2) the end of any period of coverage provided under the Prior Plan; or
- 3) the date coverage would otherwise end, according to the provisions of the AUL policy.

The benefits payable will be as follows:

- 1) when replacing prior carrier coverage, the same as the Prior Plan would have paid had coverage remained in force, less any amount for which the Prior Plan is liable; or
- 2) when replacing a Prior Plan of AUL coverage, the Person will be paid the benefits of the lesser coverage.

This Section of the Continuity of Coverage provision does not establish eligibility for coverage of a Person under this policy. Eligibility can only be met when the Person returns to full-time, Active Work as described in the Eligibility and Individual Effective Date of Insurance Section.

BENEFITS PAYABLE FOR A DISABILITY DUE TO A PRE-EXISTING CONDITION: Benefits may be payable for a Disability due to a Pre-Existing Condition for a Person who:

- 1) was insured by the Prior Plan on its termination date; and
- 2) has been continuously covered under the AUL policy from the Effective Date of the Policyholder's coverage under this policy through the date the Person's Disability began.

The benefit payable will be determined by applying this policy's Pre-Existing Condition [Exclusion][Limitation]. If the Injury or Sickness that caused the Person's Disability is not subject to the Pre-Existing Condition [Exclusion][Limitation] of this policy, as elected by the Policyholder, then the Person will be paid the benefits of this policy as elected by the Policyholder.]

SECTION 13 - CONTINUITY OF COVERAGE

*[Refer to **CONTINUITY OF COVERAGE** in the Schedule of Benefits to determine applicable class(es) or option(s).*

If the Injury or Sickness that causes the Person's Disability is subject to the Pre-Existing Condition [Exclusion][Limitation] of this policy, and such Injury or Sickness is not excluded under the Prior Plan's Pre-Existing Condition exclusion or limitation, giving consideration for continuous time the Person is covered under both plans, the Person will be paid the lesser of:

- 1) the benefits of this policy determined without application of the Pre-Existing Condition [Exclusion][Limitation]; or
- 2) the benefits of the Prior Plan.

[If the benefits of this policy determined without application of the Pre-Existing Condition [Exclusion][Limitation] is more than the benefits of the Prior Plan, the Person will also be paid an amount for [[1-6] month[s]][[4-26] week[s]] equal to [10%-25%] of the difference between the [Monthly][Weekly] Benefit of AUL's Plan and the [Monthly][Weekly] Benefit of the Prior Plan.]

If the Injury or Sickness is excluded under the Prior Plan's Pre-Existing Condition exclusion or limitation, giving consideration for continuous time the Person is covered under both the Prior Plan and this policy, no benefit will be paid.

[This section will only apply if the Person, on the Policyholder's Effective Date, elected a change in either the Elimination Period and/or the Maximum Benefit Duration. The Pre-Existing Condition Exclusion under the Continuity of Coverage provision would not apply to a change in the [Monthly][Weekly] Benefit Amount.]]

SECTION 13 - CONTINUITY OF COVERAGE

*[Refer to **CONTINUITY OF COVERAGE** in the Schedule of Benefits to determine applicable class(es) or option(s).*

WHEN REPLACING FRANCHISE COVERAGE: This provision applies when coverage under this policy replaces a Prior Plan of Franchise Coverage that the Policyholder sponsored. This Section will apply only to Persons who were insured under the Prior Plan of Franchise Coverage within the 90 days before the Policyholder's original Effective Date.

Unless replacing a Prior Plan of AUL coverage with short or long term coverage, a Prior Plan must be replaced with:

- 1) a plan of long term coverage for long term coverage;
- 2) a plan of short term coverage for short term coverage; or
- 3) a plan that contains a short Elimination Period and a long term Maximum Benefit Duration.

Continuity of Coverage will apply to a Person who would not get coverage under this policy because of the failure of a Person to be Actively at Work due to Disability[,] [or] [an approved Leave of Absence][,] [or] [a sabbatical][,] [or temporary layoff] on the Policyholder's Effective Date.

BENEFITS FOR A PERSON WHO FAILS TO BE ACTIVELY AT WORK DUE TO DISABILITY: This policy will insure, subject to proper premium payments, a Person who:

- 1) was insured under the Prior Plan on its termination date; and
- 2) is not Actively at Work due to Disability[,] [or] [an approved Leave of Absence][,] [a sabbatical][,] [or temporary layoff] on the Policyholder's Effective Date.

Coverage under this provision will begin on the Policyholder's Effective Date and will continue until the EARLIEST of:

- 1) the [end of the month following the]date the Person returns to Active Work; or
- 2) the date coverage would otherwise end, according to the provisions of the AUL policy. .

When replacing Franchise Coverage, the benefits payable will be the same as the benefits of the Policyholder's policy with AUL

This Section of the Continuity of Coverage provision does not establish eligibility for coverage of a Person under this policy. Eligibility can only be met when the Person returns to full-time, Active Work as described in the Eligibility and Individual Effective Date of Insurance Section.]

SECTION 14 - PORTABILITY PRIVILEGE

*[Refer to **PORTABILITY PRIVILEGE** in the Schedule of Benefits to determine applicable class(es) or options(s).]*

If a Person's insurance under this policy terminates for any reason other than stated below, the Person is entitled to continue his coverage for [6-24 months] without submission of Evidence of Insurability. To be eligible for this Privilege, the Person must have been insured under this policy for at least [1-24 consecutive months] just before insurance under this policy terminated.

This Portability Privilege provides the same coverage that the Person had immediately prior to the date of his termination. Any benefits payable are governed by this policy according to the provisions and benefits elected by the Policyholder and stated in the Schedule of Benefits. However, the Maximum Benefit Duration will be the lesser of:

- 1) [[1-2] year[s]; or
- 2) the Maximum Benefit Duration in effect immediately prior to the date of his termination.]

This Portability Privilege is subject to the following:

- 1) application for Portability must be made via a method approved by AUL within 31 calendar days after termination of insurance under this policy;
- 2) payment of the initial correct amount of premium;
- 3) the premium is based on the Person's age and the premium rate in effect on the date of application for Portability; and
- 4) the effective date for the Person under the Portability Privilege is the date immediately following the date of his termination.

The Portability Privilege is not available to any Person:

- 1) whose insurance under this policy terminates for any of the following reasons:
 - a) the Person enters a class of Employees that are not eligible for coverage under this policy;
 - b) the Person retires (when the Person receives payment from any Employer's Retirement Plan as recognition of past services or has concluded his/her working career); or
 - c) the Person failed to pay any required premium;
- 2) who is or becomes insured for any other group long or short term disability policy which provides coverage similar to the type of coverage provided by this policy within 31 days after termination under this policy;
- 3) who is Disabled under the terms of this policy; or
- 4) who is on leave of absence.

Insurance under the Portability Privilege will terminate on the earliest of the following dates:

- 1) the last day for which any required premium has been made;
- 2) the date the Person requests termination, but not prior to the date of the request;
- 3) the last day of a Coverage Month, provided that AUL has given at least 31 days prior written notice to the Person;
- 4) the date the Person retires;
- 5) the date this policy terminates;
- 6) the date the Person enters active military service for any country, except for temporary duty of 30 days or less;
- 7) the date that coverage begins under any other group long or short term disability policy that provides coverage similar to coverage provided by this policy;
- 8) the date following [6-24 months] of coverage; or
- 9) the date the Person leaves the United States or Canada and establishes his residence in any other country. A Person will be considered to reside outside these countries when the Person has been outside the United States or Canada for more than [3-24] months in any [3-24] month period.]

SECTION 15 - COST OF LIVING ADJUSTMENT BENEFIT

*[This Section may apply when the Maximum Benefit Duration is one year or greater. Refer to **COST OF LIVING ADJUSTMENT BENEFIT** in the Schedule of Benefits to determine if applicable to any class(es) or option(s).*

COST OF LIVING ADJUSTMENT BENEFIT: A Person will be eligible for cost of living adjustments to the Monthly Benefit for Total Disability on the [July 1st] following [12][60] consecutive calendar months of receiving Disability benefits and on each subsequent [July 1st]. The duration of adjustments is stated in the Schedule of Benefits.

[The Person's Monthly Benefit for Total Disability will be increased by the lesser of:

- 1) the percentage shown in the Schedule of Benefits; or
- 2) the Consumer Price Index.]

[A Person's Gross Monthly Benefit will be increased by the lesser of:

- 1) the percentage shown on the Schedule of Benefits; or
- 2) the Consumer Price Index.]

Each cost of living adjustment will be added to the Person's Monthly Benefit for Total Disability and will be paid monthly. For the purpose of calculating subsequent adjustments, the [Gross Monthly Benefit][Monthly Benefit for Total Disability] will include any prior years' cost of living adjustments.

Cost of Living adjustment increases shall not be limited by the Maximum Monthly Benefit.]

SECTION 16 – MANDATORY REHABILITATION PROGRAM

*[Refer to **MANDATORY REHABILITATION PROGRAM** in the Schedule of Benefits to determine applicable class(es) or options(s).]*

MANDATORY REHABILITATION PROGRAM: AUL's Rehabilitation Program is designed to assist a Person in returning to work. A Person's claim is reviewed and medical and vocational information is analyzed to determine if rehabilitation services might assist in this process.

AUL's Rehabilitation Program specialists, who coordinate with the Person's Physician and other specialists, complete an initial review. After this review, AUL may elect to offer and pay for a reasonable and necessary Rehabilitation Program. The Person must receive written approval from AUL before beginning any Program in order to be eligible for benefits under this Section. AUL will not reimburse unapproved or unnecessary rehabilitation expenses.

AUL's Rehabilitation Program may include coordination with other parties to:

- 1) assist in the Person's return to work;
- 2) evaluate adaptive equipment to allow the Person to work;
- 3) provide child care assistance during the Person's participation in a rehabilitation program;
- 4) provide vocational evaluation;
- 5) provide job placement services;
- 6) provide resume preparation;
- 7) provide job-seeking skills training;
- 8) provide retraining for a new occupation;
- 9) provide alternative treatment plans such as:
 - a) support groups;
 - b) physical therapy;
 - c) occupational therapy;
 - d) speech therapy;
 - e) exercise programs;
 - f) mental health programs; or
 - g) other medical rehabilitation programs.

If at any time the Person declines to take part or cooperate in a rehabilitation evaluation or program, that AUL determines is appropriate for his Disability and has been approved by his Physician, AUL may discontinue paying the Person a Monthly Benefit for Disability.]

SECTION 16A – VOCATIONAL REHABILITATION PROGRAM

*Refer to **VOCATIONAL REHABILITATION PROGRAM** in the Schedule of Benefits to determine applicable class(es) or options(s).*

[VOCATIONAL REHABILITATION PLAN means a written plan that a vocational rehabilitation professional, designated by AUL, prepares in accordance with this Vocational Rehabilitation Program section.

VOCATIONAL REHABILITATION PROGRAM: AUL's Vocational Rehabilitation Program is designed to assist a Person in returning to work. A Person's claim is reviewed and medical and vocational information is analyzed to determine if rehabilitation services might assist in this process.

AUL's Rehabilitation Program specialists, who coordinate with a Person's Physician and other specialists, complete an initial review. After this review, AUL may elect to offer and pay for a reasonable and necessary Vocational Rehabilitation Program. A Person must receive written approval from AUL, and a Vocational Rehabilitation Plan must be developed for the Person, before he is eligible for services [and benefits] under this provision. AUL will not reimburse unapproved or unnecessary rehabilitation expenses.

AUL's Vocational Rehabilitation Program may include coordination with other parties to:

- 1) assist in a Person's return to work;
- 2) evaluate adaptive equipment to allow a Person to work;
- 3) provide child care assistance during a Person's participation in a rehabilitation program;
- 4) provide vocational evaluation;
- 5) provide job placement services;
- 6) provide resume preparation;
- 7) provide job-seeking skills training;
- 8) provide retraining for a new occupation;
- 9) provide alternative treatment plans such as recommendations for:
 - a) support groups;
 - b) physical therapy;
 - c) occupational therapy;
 - d) speech therapy;
 - e) exercise programs;
 - f) mental health programs; or
 - g) other medical rehabilitation programs.

*[The **VOCATIONAL REHABILITATION BENEFIT** may apply when the Maximum Benefit Duration is one year or greater. Refer to **VOCATIONAL REHABILITATION BENEFIT** in the Schedule of Benefits to determine if applicable to any class(es) or options(s).*

VOCATIONAL REHABILITATION BENEFIT. If the Person is receiving a Monthly Benefit under this policy, and the Person is participating in a Vocational Rehabilitation Plan, the Person will be eligible for an additional Vocational Rehabilitation Benefit under the Plan. AUL will pay an additional Vocational Rehabilitation Benefit of [1-10%] of the Person's Gross Monthly Benefit to a maximum of [\$100-\$1,000] per month while he is participating in this Vocational Rehabilitation Program.

The Vocational Rehabilitation Benefit is subject to policy provisions which would otherwise increase or reduce the benefit amount such as Other Income Benefits.

TERMINATION: Vocational Rehabilitation Benefits will end on the EARLIEST of the following dates:

- 1) the date AUL determines that the Person is no longer eligible to participate in a Vocational Rehabilitation Plan;
- 2) the date the Person is no longer participating in this Vocational Rehabilitation Plan; or
- 3) any other date on which benefits terminate under this policy.]]

SECTION 17 - WORKPLACE MODIFICATION BENEFIT

Refer to **WORKPLACE MODIFICATION BENEFIT** in the Schedule of Benefits to determine applicable class(es) or options(s).

WORKPLACE MODIFICATION means reasonable and necessary changes to a Person's work environment or to the way a Person's job is performed that enables the Person to return to full or part-time work for the Policyholder.

WORKPLACE MODIFICATION BENEFIT: AUL may pay the expense for any reasonable and necessary modification to a Person's workplace to accommodate the Person's Disability and enable him to return to Active Work for the Policyholder. The amount AUL may pay will not exceed the lesser of:

- 1) [two] times the Person's last [Monthly][Weekly] Benefit payment; or
- 2) [\$2,000-\$5,000].

To qualify for this Benefit:

- 1) a Person must be receiving a [Monthly][Weekly] Benefit under this policy;
- 2) the Policyholder must agree to make reasonable and necessary modifications to the workplace that reasonably accommodates and enables a Person's return to full or part-time employment with the Policyholder; and
- 3) all proposed modifications and costs must be approved by AUL in advance and in writing prior to making any modification.

AUL may evaluate the appropriateness of a proposed modification.

AUL reserves the right, at its expense, to have a Person examined and evaluated by a Physician or other health care professional and a vocational expert or rehabilitation specialist of its choice, as frequently as it deems necessary.

If the Policyholder incurs reasonable and necessary costs for AUL approved modifications, the Policyholder will be reimbursed after:

- 1) proposed modifications made on the Person's behalf are completed;
- 2) written proof of incurred expenses for all modifications have been provided to and approved by AUL; and
- 3) the Person has returned to full or part-time employment with the Policyholder.

This Benefit will not be payable if:

- 1) expenses were not incurred in making the actual modification;
- 2) AUL did not provide written approval for the modification or its cost prior to the expense;
- 3) the Person becomes self-employed or returns to work for an employer other than the Policyholder;
- 4) the Person or Policyholder is able to apply or receives reimbursement for any costs under any other governmental program, grant, insurance policy, law or settlement; or
- 5) the Person ceases to be Disabled before or during the Workplace Modification.

[This benefit is available on a one-time basis, per Person.]

SECTION 18 - FAMILY CARE BENEFIT

*[This Section may apply when the Maximum Benefit Duration is one year or greater. Refer to **FAMILY CARE BENEFIT** in the Schedule of Benefits to determine if applicable to any class(es) or options(s).]*

FAMILY CARE BENEFIT: If the Person is [receiving a Return to Work Benefit,] [and] [participating in AUL's [Vocational][Mandatory] Rehabilitation Program] a Person may be eligible to receive a Family Care Benefit.

FAMILY CARE means:

- 1) care or supervision of the Person's Child(ren) under age 13;
- 2) care or supervision of a individual who can be claimed as a dependent for federal income tax purposes of a Person's household for whom supervision is required or necessary; and
- 3) care is given by a licensed child-care center or a licensed caregiver who is not related to the Person by blood or marriage. The care must be documented by receipts that include the name, address, phone number and taxpayer identification number of the entity or Person providing the care.

FAMILY CARE BENEFIT: The maximum monthly Family Care Benefit allowed for each qualifying child(ren) or legal dependent of the Person's household is [\$150-\$500] [during the first [12-36] months of receiving the Return to Work Benefit.] [The monthly Family Care Benefit will never exceed the amount of the Current Monthly Income used to calculate the Return to Work Benefit.] The Family Care Benefit will be reduced proportionally for periods of less than a month. The Family Care Benefit is limited to a combined monthly maximum of [\$1,000-\$3,000] and is only available in conjunction with and during the Return to Work Benefit period.

[AUL will, for the purpose of calculating the Return to Work Benefit, deduct the cost of Family Care from the Person's Current Monthly Income.]

TERMINATION: The Family Care Benefit will terminate the earlier of:

- 1) the date the Person is no longer [receiving a Return to Work Benefit] [and] [participating in an approved AUL Vocational Rehabilitation Program];
- 2) the care or supervision no longer meets the definition of Family Care;[
- 3) the date the Person's Current Monthly Income, before the deduction of the Family Care Benefit, equals or exceeds [60%-80%] of his Indexed Pre-Disability Earnings;]
- 4) the date the maximum Family Care Benefit has been satisfied; or
- 5) the date the Person is no longer incurring an expense for Family Care.]

SECTION 19 - SUPPLEMENTAL DISABILITY BENEFIT

*[This Section may apply when the Maximum Benefit Duration is one year or greater. Refer to **SUPPLEMENTAL DISABILITY BENEFIT** in the Schedule of Benefits to determine if applicable to any class(es) or options(s).*

ACTIVITIES OF DAILY LIVING (ADL) mean:

- 1) BATHING - washing oneself by sponge bath; or in either a tub or shower, including the task of getting into and out of the tub or shower.
- 2) DRESSING - putting on and taking off all items of clothing and any necessary braces, fasteners, or artificial limbs.
- 3) TOILETING - getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- 4) TRANSFERRING - moving into and out of a bed, chair, or wheelchair.
- 5) MOBILITY - the ability to walk or wheel on a level surface from one room to another with or without the assistance of equipment.
- 6) CONTINENCE - the ability to maintain control of bowel or bladder function; or, when unable to maintain control of bowel or bladder functions, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag).
- 7) EATING - feeding oneself by getting food into the body from a receptacle (such as a plate, cup, or table).

ADL losses that existed prior to the Person's Effective Date of Insurance will not be covered.

COGNITIVE IMPAIRMENT means the Person has a deterioration or loss in intellectual capacity, resulting from injury, sickness, Alzheimer's disease or similar forms of irreversible dementia and the Person needs another person's active help or verbal guidance for his or her own protection or for the protection of others. The deterioration or loss will be based on clinical evidence and/or clinical tests, according to generally accepted medical standards, that reliably measure the impairment. Cognitive Impairments that existed prior to the effective date of the Person's coverage will not be covered.

STAND-BY HELP means the Person requires hands-on (active) help from another person with all or most of his activity.

TERMINAL ILLNESS means a diagnosed illness that, according to generally accepted medical standards, is expected to result in death within [6-18] months.

SUPPLEMENTAL DISABILITY BENEFIT: AUL will pay the Person an additional Supplemental Disability Benefit equal to [10%-20%] of the Person's Basic Monthly Earnings, not to exceed [\$1,500-\$3,000] per month, if the Person:

- 1) is Totally Disabled due to the Person's Sickness or Injury; and
- 2) is continuously unable to perform two or more Activities of Daily Living (ADL), without Stand-by Help; or
- 3) has a Cognitive Impairment; or
- 4) has a Terminal Illness.

TERMINATION: The Supplemental Disability Benefit will terminate the EARLIER of:

- 1) the date the Person is no longer eligible to receive a Supplemental Disability Benefit; or
- 2) the date the Monthly Benefit payments end for the Person under this policy.]

SECTION 20 - EDUCATION EXPENSE BENEFIT

*[This Section may apply when the Maximum Benefit Duration is one year or greater. Refer to **EDUCATION EXPENSE BENEFIT** in the Schedule of Benefits to determine if applicable to any class(es) or options(s).]*

ELIGIBLE STUDENT means the Person's unmarried dependent Child(ren) who are less than [24-26] years of age; and attending an accredited post-secondary school beyond the 12th grade level on a full-time basis.

EDUCATION EXPENSE BENEFIT: If the Person is Disabled and receiving a Monthly Benefit under this policy, the Person will receive a monthly Education Benefit in the amount of [\$200-\$400] for each Child that is an Eligible Student, to a combined monthly maximum of [\$500-\$1,500]. Education Benefits are in addition to the Person's Monthly Benefit under this policy.

The Education Expense Benefit will be payable between school terms as long as the Eligible Student is enrolled for the next scheduled school term.

TERMINATION: Education Benefits will stop at the earliest of:

- 1) the date the Child is no longer an Eligible Student; or
- 2) any other date the Person's Monthly Benefits would stop in accordance with this policy.]

[SECTION 21 - 401(k), 403(b) OR 457 CONTRIBUTION BENEFIT

*[This Section may apply when the Maximum Benefit Duration is one year or greater. Refer to **401(k), 403(b) OR 457 CONTRIBUTION BENEFIT** in the Schedule of Benefits to determine if applicable to any class(es) or options(s).]*

All other provisions under this policy apply to this Section, unless modified in this Section.

[401(k), 403(b) or 457 CONTRIBUTION BENEFIT: If a Person is receiving Monthly Benefit payments [and has been a participant in the Policyholder's 401(k), 403(b) or 457 plan for at least 3 months prior to the Person's Disability], AUL will pay the Policyholder an extra benefit to be deposited into the Person's 401(k), 403(b) or 457 plan on the Person's behalf.]

[401(k), 403(b) or 457 CONTRIBUTION BENEFIT: If a Person has been insured under this policy for at least [3-12] consecutive months just prior to the Person's date of Disability, and the Person has been Disabled for at least [3-12] consecutive months] following the Elimination Period, AUL will pay the Policyholder an extra benefit to be deposited into the Person's 401(k), 403(b) or 457 plan on the Person's behalf.]

BENEFIT AMOUNT: AUL will pay the Person's Policyholder [1% to 10%] of the Person's Basic Monthly Earnings, not to exceed the maximum contribution allowable by law.

If the Person is Partially Disabled the benefit will be based on the percentage of income the Person is losing due to the Person's Disability, according to the following steps:

- 1) subtract the Person's Current Monthly Income from the Person's Indexed Pre-Disability Earnings;
- 2) divide the answer in Step 1 by the Person's Indexed Pre-Disability Earnings. This is the Person's percentage of lost earnings; and
- 3) multiply the Person's 401(k), 403(b) or 457 monthly benefit by the percent of lost earnings calculated in Step 2.

This is the amount payable to the Person's Group Policyholder for contribution into the Person's 401(k), 403(b) or 457 plan.

If the 401(k), 403(b) or 457 plan cannot accept contributions for the Person, this benefit may be paid into a flexible premium deferred annuity that is established and maintained by the Person.]

SECTION 22 - COBRA PREMIUM DISABILITY BENEFIT

*[This Section may apply when the Maximum Benefit Duration is one year or greater. Refer to **COBRA PREMIUM DISABILITY BENEFIT** in the Schedule of Benefits to determine if applicable to any class(es) or option(s).*

All other provisions under this policy apply to this Section, unless modified in this Section.

COBRA means the federal Consolidated Omnibus Budget Reconciliation Act of 1985 and any subsequent amendments.

COBRA MEDICAL COVERAGE means the continuation of Medical Coverage under the Policyholder's plan as provided for under the Consolidated Omnibus Budget Reconciliation Act (COBRA).

MEDICAL COVERAGE means coverage provided under the Policyholder's health or medical plan that pays for the Person's medical, hospital or surgical expenses.

COBRA PREMIUM DISABILITY BENEFIT: If the Person is Totally Disabled and receiving a Monthly Benefit under this policy, the Person will also receive a COBRA Premium Disability Benefit provided he meets all the following requirements:

- 1) he has been continuously Disabled for the longer of:
 - a) the Elimination Period; or
 - b) 30 consecutive days;
- 2) he is Totally Disabled;
- 3) he is receiving a Monthly Benefit under this policy;
- 4) his employment with the Policyholder has terminated; and
- 5) he is paying premiums for COBRA Medical Coverage under the Policyholder's plan.

Benefits under this provision will begin the day after the Person satisfies all of the above requirements.

COBRA PREMIUM DISABILITY BENEFIT AMOUNT: AUL will pay the Person an additional monthly benefit, equal to the LESSER of:

- 1) the amount of the monthly premium the Person must pay for COBRA Medical Coverage for himself only, or
- 2) [\$100][\$200][\$300][\$400][\$500].

The Person's benefit payment, as described above, will not be reduced by any Other Income Benefits.

If the Person is eligible to receive this benefit for less than one (1) month, AUL will pay the Person 1/30th of the benefit for each day he is Totally Disabled.

The Person must submit proof, in a form acceptable to AUL, of COBRA Medical Coverage premiums that the Person is paying for his coverage only.

TERMINATION: The COBRA Premium Benefit will terminate the EARLIER of:

- 1) the date the Person is no longer receiving or is no longer eligible to receive a Monthly Benefit under this policy;
- 2) the date the Person is no longer Totally Disabled;
- 3) the end of the COBRA Medical Coverage period, not to exceed 18 months;
- 4) the last day of the period for which the Person qualifies for COBRA Medical Coverage; or
- 5) the date the Person fails to give AUL the required proof that he is paying premiums for COBRA Medical Coverage.]

SECTION 23 - SPOUSE DISABILITY BENEFIT

*[This Section may apply when the Maximum Benefit Duration is one year or greater. Refer to **SPOUSE DISABILITY BENEFIT** in the Schedule of Benefits to determine if applicable to any class(es) or options(s).]*

All other provisions under this policy apply to this Section, unless modified in this Section.

ACTIVITIES OF DAILY LIVING (ADL) mean:

- 1) BATHING – washing oneself by sponge bath; or in either a tub or shower, including the task of getting into and out of the tub or shower.
- 2) DRESSING – putting on and taking off all items of clothing and any necessary braces, fasteners, or artificial limbs.
- 3) TOILETING – getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- 4) TRANSFERRING – moving into and out of a bed, chair, or wheelchair.
- 5) MOBILITY – the ability to walk or wheel on a level surface from one room to another with or without the assistance of equipment.
- 6) CONTINENCE – the ability to maintain control of bowel or bladder function; or, when unable to maintain control of bowel or bladder functions, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag).
- 7) EATING – feeding oneself by getting food into the body from a receptacle (such as a plate, cup, or table).

ADL losses that existed prior to the effective date of the Spouse's coverage will not be covered.

COGNITIVELY IMPAIRED means the Spouse has a deterioration or loss in intellectual capacity, resulting from injury, sickness, Alzheimer's disease or similar forms of irreversible dementia and the Spouse needs another person's active help or verbal guidance for his own protection or for the protection of others. The deterioration or loss will be based on clinical evidence and/or clinical tests, according to generally accepted medical standards, that reliably measure the impairment. Cognitive Impairments that existed prior to the effective date of the Spouse's coverage will not be covered.

[DOMESTIC PARTNER means an adult of the same or opposite sex who has an emotional physical and financial relationship with the Person, similar to that of a Spouse, as evidenced by the following facts, based on documents furnished by the Person:

- 1) the Person and the Domestic Partner share financial responsibility for a joint household and intend to continue an exclusive relationship indefinitely;
- 2) the Person and the Domestic Partner each are at least 18 years of age;
- 3) the Person and the Domestic Partner are both mentally competent to enter into a binding contract;
- 4) the Person and the Domestic Partner share a residence and have done so for at least 12 months;
- 5) neither the Person nor the Domestic Partner are married to or legally separated from anyone else;
- 6) the Person and the Domestic Partner are not related to one another by blood closer than would bar marriage; and
- 7) neither the Person nor the Domestic Partner is a domestic partner of anyone else.]]

SECTION 23 - SPOUSE DISABILITY BENEFIT

*[This Section may apply when the Maximum Benefit Duration is one year or greater. Refer to **SPOUSE DISABILITY BENEFIT** in the Schedule of Benefits to determine if applicable to any class(es) or options(s).]*

[DISABLED, for purposes of this benefit only, means AUL has determined the Spouse is:

- 1) continuously not able to perform two or more Activities of Daily Living; or
- 2) Cognitively Impaired.

The Spouse will be considered unable to perform an Activity of Daily Living if the task cannot be performed safely without Stand-By Help.

AUL may require the Spouse to be examined by a Physician, other medical practitioner, or vocational expert of AUL's choice. AUL will pay for this examination. AUL can require an examination as often as it is reasonable to do so. AUL may also require the Spouse to be interviewed by AUL's authorized representative. Failure to comply with these requests may result in denial or termination of benefits.

ELIMINATION PERIOD, for purposes of this benefit only, means a period of consecutive days of Disability for which no benefit is payable. The Elimination Period for Spouse Disability Benefits is [90-730] days. The Elimination Period begins on the first day the Spouse is Disabled. Spouse Disability Benefits begin the day after the Elimination Period.

MENTAL ILLNESS means a psychiatric or psychological condition classified in the *Diagnostic and Statistical Manual of Mental Health Disorders (DSM)*, published by the American Psychiatric Association, most current as of the start of a Disability. Such disorders include, but are not limited to, psychotic, emotional or behavioral disorders, or disorders related to stress or to substance abuse or dependency. If the *DSM* is discontinued or replaced, these disorders will be those classified in the diagnostic manual then used by the American Psychiatric Association as of the start of a Disability.

STAND-BY HELP means the Spouse requires hands-on (active) help from another person with all or most of the activity.

SPOUSE DISABILITY BENEFIT: The Person's Spouse is eligible for this coverage. If the Spouse becomes Disabled after the Spouse's effective date of coverage under this benefit, the Spouse may be eligible to receive a Spouse Disability Benefit.

The Person's Spouse will become insured for Spouse Disability Benefit coverage on the LATER of:

- 1) the date the Person's insurance becomes effective under this policy; or
- 2) the date he becomes the Person's Spouse.

Spouse Disability Benefit coverage for a Spouse will end on the EARLIEST of the following dates:

- 1) the date the Person's insurance under this policy terminates;
- 2) the date the Spouse is no longer eligible for this benefit;
- 3) the date this policy terminates;
- 4) the date the Spouse Disability Benefit is no longer provided under this policy; or
- 5) the end of the maximum period of payment for the Spouse Disability Benefit.]

SECTION 23 - SPOUSE DISABILITY BENEFIT

*[This Section may apply when the Maximum Benefit Duration is one year or greater. Refer to **SPOUSE DISABILITY BENEFIT** in the Schedule of Benefits to determine if applicable to any class(es) or options(s).*

[The Spouse Disability Benefit will become payable when AUL receives proof that the Spouse has:

- 1) been continuously Disabled throughout the Elimination Period, and
- 2) is under the Regular Attendance of a Physician.

When AUL approves the Spouse's claim AUL will send a payment to the Spouse at the end of each month for any period for which AUL is liable.

If the Spouse is eligible to receive the Spouse Disability Benefit for less than one month, AUL will send to the Spouse 1/30th of this monthly benefit for each day of Disability.

The Spouse Disability Benefit payment is [\$1,000][\$1,500][\$2,000][\$2,500][\$3,000] per month.

The Spouse Disability Benefit payment will not be reduced by any income the Person or the Spouse receives from other sources because of the Person's or the Spouse's Disability.

The lifetime maximum period of payment for the Spouse Disability Benefit is limited to [2 years][3 years].

GENERAL EXCLUSIONS: This policy does not cover any Disability caused by, contributed to by, or resulting from:

- 1) participation in war or any act of war, declared or undeclared;
- 2) active participation in a riot;
- 3) attempted suicide, regardless of mental capacity;
- 4) attempted or actual self-inflicted bodily injury or self destruction, including but not limited to the voluntary inhaling or taking of:
 - a) poison; and
 - b) toxic fumes;
- 5) the voluntary use of illegal drugs;
- 6) the intentional taking of over the counter medication not in accordance with recommended dosage and warning instructions;
- 7) the intentional misuse of prescription drugs;
- 8) the commission of or attempt to commit a criminal act under relevant state law;
- 9) Cosmetic Surgery. However, Cosmetic Surgery will be covered when it is due to:
 - a) reconstructive surgery incidental to, or follows surgery resulting from, trauma, infection or other diseases of the involved part; or
 - b) congenital disease or anomaly that has resulted in a functional defect;
- 10) a Person or Spouse being legally intoxicated as defined by the law of the jurisdiction in which the incident occurs;
- 11) any event that occurs while a Person or Spouse is incarcerated in a penal or correctional institution;
- 12) participation in any self asphyxiation method;
- 13) Surgery that is not Medically Necessary to treat a Sickness or Injury;
- 14) traveling or flying on any aircraft operated by or under authority of military or any aircraft being used for experimental purposes;
- 15) Mental Illness; or
- 16) engaging in any illegal or fraudulent occupation, work, or employment.]

SECTION 23 - SPOUSE DISABILITY BENEFIT

*[This Section may apply when the Maximum Benefit Duration is one year or greater. Refer to **SPOUSE DISABILITY BENEFIT** in the Schedule of Benefits to determine if applicable to any class(es) or options(s).]*

[PRE-EXISTING CONDITION EXCLUSION: [Benefits will not be paid if the Spouse's Disability begins in the first [5, 30 days][6, 12 or 24 months] following the Spouse's effective date of coverage and the Disability is caused by, contributed to by, or the result of a condition, whether or not that condition is diagnosed or is misdiagnosed, for which:]]

- 1)]the Spouse received medical treatment, consultation, care or services, including diagnostic measures, or took or was prescribed drugs or medicines in the [30 days] [3, 6, or 12 months] just prior to the Spouse's effective date of coverage[.]; or
- 2) the Spouse had symptoms for which an ordinarily prudent Person would have consulted a Physician in the [30 days] [3, 6, or 12 months] just prior to the Spouse's effective date of coverage.]

[Benefits will not be paid if the Spouse's Disability begins in the first [5, 30 days][6, 12, or 24 months] following the Spouse's effective date of coverage; and the Disability is caused by, contributed to by, or the result of a condition, whether or not that condition is diagnosed at all or is misdiagnosed, for which:]]

- 1)]the Spouse received medical treatment, consultation, care or services, including diagnostic measures, or was prescribed drugs or medicines in the [30 days][3, 6 or 12 months] just prior to the Spouse's effective date of coverage; [or][and]
- 2) [the Spouse had symptoms for which an ordinarily prudent Person would have consulted a Physician in the [30 days] [3, 6 or 12 months] just prior to the Spouse's effective date of coverage; and].
- 3) the Spouse was not Treatment Free for [3, 6, or 12] consecutive months after the Spouse's effective date of coverage.]]

TERMINATION: Spouse Disability Benefit payments will end on the EARLIEST of the following:

- 1) the end of the maximum period of payment for the Spouse Disability Benefit;
- 2) the date the Spouse is no longer Disabled under the terms of this benefit provision;
- 3) the date the Spouse fails to submit proof of continued Disability;
- 4) the date the Spouse dies.

AUL will not pay a benefit for any period of Disability during which the Spouse is incarcerated.]

SUMMARY OF GENERAL PURPOSES, COVERAGE LIMITATIONS AND CONSUMER PROTECTION

General Purposes

Residents of the District of Columbia should know that licensed insurers who sell health insurance, life insurance, and annuities in the District of Columbia are members of the District of Columbia Life and Health Insurance Guaranty Association (“Guaranty Association”).

The purpose of the Guaranty Association is to provide statutorily-determined benefits associated with covered policies and contracts in the unlikely event that a member insurer is unable to meet its financial obligations and is found by a court of law to be insolvent. When a member insurer is found by a court to be insolvent, the Guaranty Association will assess the other member insurers to satisfy the benefits associated with any outstanding covered claims of persons residing in the District of Columbia. However, the protection provided through the Guaranty Association is subjected to certain statutory limits explained under “Coverage Limitations” section, below. In some cases, the Guaranty Association may facilitate the reassignment of policies or contracts to other licensed insurance companies to keep the coverage in-force, with no change in contractual rights or benefits.

Coverage

The Guaranty Association, established pursuant to the Life and Health Guaranty Association Act of 1992 (“Act”), effective July 22, 1992 (D.C. Law 9-129; D.C. Official Code § 31-5401 *et seq.*), provides insolvency protection for certain types of insurance policies and contracts.

The insolvency protections provided by the Guaranty Association is generally conditioned on a person being 1) a resident of the District of Columbia and 2) the individual insured or owner under a health insurance, life insurance, or annuity contract issued by a member insurer, or insured under a group policy insurance contract issued by a member insurer. Beneficiaries, payees, or assignees of District insureds are also covered under the Act, even if they reside in another state.

Coverage Limitations

The Act also limits the amount the Guaranty Association is obligated to pay. The benefits for which the Guaranty Association may become liable shall be limited to the lesser of:

- The contractual obligations for which the insurer is liable or for which the insurer would have been liable if it were not an impaired or insolvent insurer; or
- With respect to any one life, regardless of the number of policies, contracts, or certificates:
 - \$300,000 in life insurance death benefits for any one life; including net cash surrender or net cash withdrawal values;
 - \$300,000 in the present value of annuity benefits, including net cash surrender or net cash withdrawal values;
 - \$300,000 in the present value of structured settlement annuity benefits, including net cash surrender or net cash withdrawal values;
 - \$300,000 for long-term care insurance benefits;
 - \$300,000 for disability insurance benefits;
 - \$500,000 for basic hospital, medical, and surgical insurance, or major medical insurance benefits;
 - \$100,000 for coverage not defined as disability insurance or basic hospital, medical and surgical insurance or major medical insurance or long term care insurance including any net cash surrender and net cash withdrawal values.

In no event is the Guaranty Association liable for more than \$300,000 in benefits with respect to any one life (\$500,000 in the event of basic hospital, medical and surgical insurance or major medical insurance).

Additionally, the Guaranty Association is not obligated to cover more than \$5,000,000 for multiple non-group policies of life insurance with one owner regardless of the number of policies owned.

Exclusions Examples

Policy or contract holders are not protected by the Guaranty Association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was domiciled in a state whose guaranty association law protects insureds that live outside of that state);
- Their insurer was not authorized to do business in the District of Columbia; or
- Their policy was issued by a charitable organization, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company, an insurance exchange, a non-profit hospital or medical service organization, a health maintenance organization, or a risk retention group.

The Guaranty Association also does not cover:

- Any policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk;
- Any policy of reinsurance (unless an assumption certificate was issued);
- Any plan or program of an employer or association that provides life, health, or annuity benefits to its employees or members and is self-funded;
- Interest rate guarantees which exceed certain statutory limitations;
- Dividends, experience rating credits or fees for services in connection with a policy;
- Credits given in connection with the administration of a policy by a group contract holder; or
- Unallocated annuity contracts.

Consumer Protection

To learn more about the above referenced protections, please visit the Guaranty Association's website at www.dclifega.org. Additional questions may be directed to the District of Columbia Department of Insurance, Securities and Banking (DISB) and they will respond to questions not specifically addressed in this disclosure document.

Policy or contract holders with additional questions may contact either:

**District of Columbia
Department of Insurance Securities
And Banking
810 First Street, N.E., Suite 701
Washington, DC 20002
(202) 727-8000**

**District of Columbia
Life and Health Guaranty
Association
1200 G Street, N.W.
Washington, DC 20005
(202) 434-8771**

Pursuant to the Act (D.C. Official Code § 31-5416), insurers are required to provide notice to policy and contract holders of the existence of the Guaranty Association and the amounts of coverage provided under the Act. Your insurer and agent are prohibited by law from using the existence of the Guaranty Association and the protection it provides to market insurance products. You should not rely on the insolvency protection provided under the Act when selecting an insurer or insurance product. If you have obtained this document from an agent in connection with the purchase of a policy or contract, you should be aware that such delivery does not guarantee that the Guaranty Association would cover your policy or contract. Any determination of whether a policy or contract will be covered will be determined solely by the coverage provisions of the Act.

This disclosure is intended to summarize the general purpose of the Act and does not address all the provisions of the Act. Moreover, the disclosure is not intended and should not be relied upon to alter any rights established in any policy or contract or under the Act.

**AMERICAN UNITED LIFE INSURANCE COMPANY®
INDIANAPOLIS, INDIANA 46206-0368**

Certifies that it has issued and delivered a policy to:

[ABC Company]
(Hereinafter called the Policyholder)

Insured Person:	[John Doe]	Original Effective Date: [mm/dd/yyyy]
Certificate Number:	[1234567890]	Change Effective Date:
Coverage for Dependents: Not Included		Member: [mm/dd/yyyy]
		Group: [mm/dd/yyyy]
Policy Number:	[G 12345678-0000-000]	

This certificate replaces any and all certificates previously issued to the insured Person under the policy indicated above.

American United Life Insurance Company®(AUL) certifies that the Person whose name appears on this certificate and for whom the required premium has been paid is insured under the policy named above. Benefits as described in this certificate are subject to change.

This certificate describes the coverage provided in the policy. The policy determines all rights and benefits in this certificate and may be amended, canceled, or discontinued at any time by agreement between AUL, and the Policyholder, without notice to the Person. The policy may be examined at the main office of AUL during regular office hours.



[Thomas M. Zurek
Secretary]



[J. Scott Davison, President and
Chief Executive Officer]

**CERTIFICATE OF INSURANCE
GROUP WORKSITE DISABILITY INSURANCE – [LONG][SHORT] TERM**

AMERICAN UNITED LIFE INSURANCE COMPANY
INDIANAPOLIS, INDIANA 46206-0368

Certifies that it has issued and delivered a policy to:

[ABC Company]

(Hereinafter called the Policyholder)

Policy Number: [G 12345678-0000-000]

Change Effective Date: [mm/dd/yyyy]

Class: [01]

This certificate replaces any and all certificates previously issued to the insured Person under the policy indicated above.

American United Life Insurance Companyfi (AUL) certifies that the Person whose enrollment form is on file with t he Policyholder or AUL as being eligible for insurance and for whom the required premium has been paid, is insured under the above numbered policy for group insurance benefits as designated in the Schedule of Benefits. Benefits as described in this certificate are subject to change.

This certificate describes the coverage provided in the policy. The policy determines all rights and benefits in this certificate and may be amended, canceled or discontinued at any time by agreement between AUL and the Policyholder without notice to the Person.

The policy may be examined at the main office of AUL during regular office hours.



[Thomas M. Zurek
Secretary]



[J. Scott Davison, President and
Chief Executive Officer]

CERTIFICATE OF INSURANCE
GROUP WORKSITE DISABILITY INSURANCE – [LONG][SHORT] TERM

TABLE OF CONTENTS

[PROVISIONS	SECTION
Schedule of Benefits	1
Definitions	2
Eligibility, Enrollment and Individual Effective Date of Insurance	3
Changes in Insurance	4
Terminations	5
Individual Reinstatement	5A
Continuation of Personal Insurance under FMLA	5B
Continuation of Personal Insurance During a [Leave of Absence][,][and][Sabbatical][,][and] [Temporary Layoff]	5C
Continuation of Personal Insurance During a Leave of Absence for Active Military Service	5D
Premium Payment	6
General Policy Provisions	7
Claim Procedures	7A
Insuring Provisions	8
Exclusions	9
Drug and Alcohol Abuse Limitation	10
Special Conditions Limitation	11
Mental Illness Limitation	12
Continuity of Coverage	13
Portability Privilege	14
Cost of Living Adjustment Benefit	15
Mandatory Rehabilitation Program	16
Vocational Rehabilitation Program	16A
Workplace Modification Benefit	17

TABLE OF CONTENTS
(continued)

Family Care Benefit	18
Supplemental Disability Benefit	19
Education Expense Benefit	20
401(k), 403(b) or 457 Contribution Benefit	21
Cobra Premium Disability Benefit	22
Spouse Disability Benefit	23]

SECTION 1 - SCHEDULE OF BENEFITS

[ELIGIBLE CLASS	Full-Time Employees]
[CLASS NUMBER	01]
[OPTION NUMBER	01]
REQUIREMENT FOR FULL-TIME EMPLOYEES	[[30] [contract] hours or more [per week][bi-weekly][per month][per quarter][semi-annually][annually]. See Section 3.] <i>OR</i> [[1-365 day[s]][1-12 month[s]][1-52 week[s]] or more per year. See Section 3.] <i>OR</i> [[1-365 day[s]][1-12 month[s]][1-52 week[s]] or more averaged over [2-52 weeks][2-365 days][1-36 month[s]][1-5 year[s]]. See Section 3.] <i>OR</i> [[30] [contract] hours or more [per week] [bi-weekly][per month][per quarter][semi-annually][annually] averaged over [2-52 weeks][1-36 month[s]][2-365 days][1-5 year[s]][1-4 quarter[s]]. See Section 3.] [Employees who are contracted full-time for the entire school year are considered as Full-Time Employees during the school summer break months when they are not Actively at Work.]
[ACCIDENTAL DISMEMBERMENT & LOSS OF SIGHT	This benefit is [not] included for this class. See Section 8.]
ANNUAL INCREASE IN BENEFIT (AIB) [AIB AMOUNT	This benefit is [not] included for this class. See Section 4. [[\$5-\$10,000] [Monthly][Weekly]] [Next higher [Monthly][Weekly] Benefit Option]

SECTION 1 - SCHEDULE OF BENEFITS (continued)

[Class 01-Option 01]

BASIC [MONTHLY][WEEKLY] EARNINGS DESCRIPTION

[For Sub-Chapter S-Corporation Shareholders: See Section 2.]

[For Principals of a Partnership: See Section 2]

[For Sole Proprietors: See Section 2]

[For all other Employees:]

[[BME][BWE] [Including] [Without] Plan Contributions and No Commissions or Bonuses. See Section 2.]

[[BME][BWE] [Including] [Without] Plan Contributions and Including Commissions but No Bonuses, averaged for [1-5 Year[s]] [6-36 Months][24-156 Weeks]. See Section 2.]

[[BME][BWE] [Including] [Without] Plan Contributions and Including Bonuses but No Commissions, averaged for [1-5 Year[s]] [6-36 Months][24-156 Weeks]. See Section 2.]

[[BME][BWE] [Including] [Without] Plan Contributions and Including Commissions and Bonuses, averaged for [1-5 Year[s]][6-36 Months][24-156 Weeks]. See Section 2.]

[W-2 Earnings [Including] [Without] Plan Contributions. See Section 2.]

[Teacher's [BME] [BWE]. See Section 2.]

[Prior School Plan Year. See Section 2.]

[1099 Employee. See Section 2.]

[[BME][BWE] [Including] [Without] Plan Contributions and Including Overtime. See Section 2.]

CHANGES IN INSURANCE

[Immediate][First of the Month][Policyholder's Anniversary Date]. See Section 4.

[COBRA PREMIUM DISABILITY BENEFIT

This benefit is [not] included for this class. See Section 22.]

[CONTINUATION OF PERSONAL INSURANCE UNDER THE FAMILY AND MEDICAL LEAVE ACT (FMLA)

This benefit is [not] included for this class. See Section 5B.]

[CONTINUATION OF PERSONAL INSURANCE DURING A [LEAVE OF ABSENCE][,][AND][SABBATICAL][,][AND] [TEMPORARY LAYOFF]

This benefit is [not] included for this class. See Section 5C.]

[CONTINUATION OF PERSONAL INSURANCE DURING A LEAVE OF ABSENCE FOR ACTIVE MILITARY DUTY

This benefit is [not] included for this class. See Section 5D.]

[CONTINUITY OF COVERAGE

This benefit is [not] included for this class. See Section 13.]

[COST OF LIVING ADJUSTMENT BENEFIT DURATION PERCENTAGE

This benefit is [not] included for this class. See Section 15.
[None][5 years][10 years][To age 65][Duration of coverage]
The lesser of CPI (Consumer Price Index) or [1/2%-5%].
See Section 15.

SECTION 1 - SCHEDULE OF BENEFITS (continued)

[Class 01-Option 01]

COVERED [MONTHLY][WEEKLY] EARNINGS

The amount of the Person's income in U.S. dollars, received from the Policyholder that is insured by the policy. This amount will be the LESSER of:

- 1) the Basic [Monthly][Weekly] Earnings; or
- 2) the Maximum [Monthly][Weekly] Benefit[divided by the benefit percentage shown on the Schedule of Benefits].

[DRUG AND ALCOHOL LIMITATION

This benefit is [not] included for this class. See Section 10.]

[EDUCATION EXPENSE BENEFIT

This benefit is [not] included for this class. See Section 20.]

ELIMINATION PERIOD

[The longer of the period of Salary Continuance that is [available][received], or]

INJURY

[0-730 days] [1-2 years]. See Section 2.

SICKNESS

[0-730 days] [1-2 years]. See Section 2.

[ACCUMULATION OF ELIMINATION PERIOD

This benefit is [not] included for this class. See Section 8.]

[FIRST DAY HOSPITAL

If a Person is Totally Disabled and hospital confined for 24 hours or more with room and board charges [or requires Outpatient Surgery] during the Elimination Period due to an Injury or Sickness resulting in a covered Disability, benefits are payable from the first day of that confinement.]

[FAMILY CARE BENEFIT

This benefit is [not] included for this class. See Section 18.]

[FAMILY STATUS CHANGE

This benefit is [not] included for this class. See Section 4.]

GUARANTEED ISSUE AMOUNT [LATE ENROLLEE

[\$0-\$25,000.] See Section 2.

The Lesser of:

- 1) [5%-90%] of Pre-Disability Earnings; or
- 2) [\$0-\$25,000.]] See Section 3.]

INDIVIDUAL EFFECTIVE DATE INITIAL EMPLOYEES

Policyholder's Effective Date if the Employee has satisfied his Waiting Period on or before said date, otherwise [immediately following the Waiting Period][the first day of the Coverage Month following the Initial Enrollment Period][the Policyholder's Anniversary Date following the Initial Enrollment Period][the First day of the Coverage Month following the Scheduled Enrollment Period]. See Section 3

NEW EMPLOYEES

[Immediately following the Waiting Period.][First day of the Coverage Month following the Initial Enrollment Period.][Policyholder's Anniversary Date following the Initial Enrollment Period.][First day of the Coverage Month following the Scheduled Enrollment Period.] See Section 3.

SECTION 1 - SCHEDULE OF BENEFITS (continued)

[Class 01-Option 01]

INDIVIDUAL REINSTATEMENT Application must be made within [[30][60][90][120][180][360]
[365] days][1-52 week[s]][1-12 month[s]][1-5 year[s]] from
termination date. Effective [immediately][first day of the Coverage
Month]. See Section 5A.

INDIVIDUAL TERMINATIONS [Immediate][End of the month]. See Section 5.

[INITIAL ENROLLMENT PERIOD

INITIAL EMPLOYEES

NEW EMPLOYEES

Between MM/DD/YYYY and MM/DD/YYYY.
[[[30] days following the Employee's Eligibility Date.][The
Scheduled Enrollment Period beginning on the Employee's
Eligibility Date.] See Section 3.]

[MANDATORY REHABILITATION This benefit is [not] included for this class. See Section 16.]
PROGRAM

[MAXIMUM BENEFIT DURATION - 65/5/70 [[-FOR INJURY] [AND] [[-] FOR SICKNESS]]

Age When Total Disability Begins

Less Than Age 65

65-68

69 and over

Maximum Duration

Greater of: SSFRA* or 5 Years

Lesser of: 5 Years or to Age 70

1 Year]

[MAXIMUM BENEFIT DURATION - 2 YEARS TO AGE 70 [[-FOR INJURY] [AND] [[-] FOR SICKNESS]]

Age When Total Disability Begins

Less Than Age 68

68

69 And Over

Maximum Duration

2 Years

To Age 70

1 Year]

[MAXIMUM BENEFIT DURATION - 3 YEARS TO AGE 70 [[-FOR INJURY] [AND] [[-] FOR SICKNESS]]

Age When Total Disability Begins

Less Than Age 67

67-68

69 and over

Maximum Duration

3 Years

To Age 70

1 Year]

SECTION 1 - SCHEDULE OF BENEFITS (continued)
[Class 01-Option 01]

[MAXIMUM BENEFIT DURATION - 5 YEAR SSFRA [-FOR INJURY] [AND] [[-] FOR SICKNESS]

Age When Total Disability Begins	Maximum Duration
Less Than Age 61	5 Years
61	Lesser of: SSFRA* or 5 Years
	Greater of: SSFRA* or
62	3.5 Years
63	3 Years
64	2.5 Years
65	2 Years
66	21 Months
67	18 Months
68	15 Months
69 and over	12 Months]

[MAXIMUM BENEFIT DURATION - 10 YEAR SSFRA [-FOR INJURY] [AND] [[-] FOR SICKNESS]

Age When Total Disability Begins	Maximum Duration
Less Than Age 56	10 Years
56	Lesser of: SSFRA* or 10 Years
57-61	SSFRA*
	Greater of: SSFRA* or
62	3.5 Years
63	3 Years
64	2.5 Years
65	2 Years
66	21 Months
67	18 Months
68	15 Months
69 and over	12 Months]

[MAXIMUM BENEFIT DURATION – SSFRA [-FOR INJURY] [AND] [[-] FOR SICKNESS]

Age When Total Disability Begins	Maximum Duration
	Greater of: SSFRA* or
Less than Age 60	To Age 65
60	5 Years
61	4 Years
62	3.5 Years
63	3 Years
64	2.5 Years
65	2 Years
66	21 Months
67	18 Months
68	15 Months
69 and over	12 Months]

[*SSFRA means the Social Security Full Retirement Age as figured by the 1983 amendment or any later amendment to the Social Security Act.]

SECTION 1 - SCHEDULE OF BENEFITS (continued)

[Class 01-Option 01]

[MAXIMUM BENEFIT DURATION - REDUCING BENEFIT DURATION [[-FOR INJURY] [AND] [[-] FOR SICKNESS]]

Age When Total Disability Begins	Maximum Duration
Less than Age 60	To Age 65
60	5 Years
61	4 Years
62	3.5 Years
63	3 Years
64	2.5 Years
65	2 Years
66	21 Months
67	18 Months
68	15 Months
69 and over	12 Months]

[MAXIMUM BENEFIT DURATION

[INJURY]

[[1-104 weeks] [1-2 year[s]]. See Section 2.]

[SICKNESS]

[[1-104 weeks] [1-2 year[s]]. See Section 2.]]

MAXIMUM [MONTHLY] [WEEKLY] BENEFIT

[\$25-\$25,000.] See Section 2.

[MEDICAL TREATMENT BENEFIT

This benefit is [not] included for this class. See Section 8.]

[MENTAL ILLNESS LIMITATION

This benefit is [not] included for this class. See Section 12.]

[MINIMUM [MONTHLY] [WEEKLY] BENEFIT

[\$25-\$1,000.][The greater of [10%-15%] of the Gross [Monthly] [Weekly] Benefit or [\$25-\$1,000.]] See Section 8.]

MONTHLY BENEFIT

[The Maximum Monthly Benefit of [\$50-\$25,000], as elected in increments of [\$5-\$1,000], not to exceed [10%-100%] of the Person's Basic Monthly Earnings.]

[A benefit amount equal to [\$50-\$25,000], not to exceed [10%-100%] of Basic Monthly Earnings.]

[A flat benefit amount equal to [\$50-\$25,000].

[[10%-70%] of Basic Monthly Earnings not to exceed Maximum Monthly Benefit of [\$50-\$10,000].]

[The Monthly Benefit will be reduced by Other Income Benefits.]

[A Person who is currently enrolled and Actively at Work may increase his Monthly Benefit annually during an AUL approved enrollment period.]

See Section 8.

SECTION 1 - SCHEDULE OF BENEFITS (continued)

[Class 01-Option 01]

[OCCUPATIONAL INJURY OR SICKNESS	[Non-Occupational][24 Hour Coverage]. See Section 2.]
[ORGAN DONOR TRANSPLANT BENEFIT	This benefit is [not] included for this class. See Section 8.]
[OTHER INCOME BENEFITS	[Does not apply][Applies] to this class. See Section 2.]
[PARTIAL DISABILITY	This benefit is [not] included for this class. See Section 8.]
[POLICY MONTH	A period that begins on the [first][1 st – 31 st] day of the month and ends on the [last][1 st – 31 st] day of the month. Each succeeding Policy Month runs for a similar period thereafter.]
[PORTABILITY PRIVILEGE	This benefit is [not] included for this class. See Section 14.]
PRE-EXISTING CONDITION DURATION	[None][30/5][5 day][3/6][3/12][6/12][6/24][3/3/12][6/6/12] [12/6/12][6/6/24][12/6/24][12/12/24][30/30][12/12][6/12/24][3/6/12] [3/12/12][12/12/12][6/12/12][12/24]. See Section 9.
RECURRENT DISABILITY	[14-120] days][3-6 months]. See Section 8.
[RESIDUAL BENEFIT	This benefit is [not] included for this class. See Section 8.]
[RETURN TO WORK	This benefit is [not] included for this class. See Section 8.]
[SCHEDULED ENROLLMENT PERIOD	A period of time chosen by the Policyholder and approved by AUL. See Section 3.]
[SOCIAL SECURITY INCENTIVE	[1–12] month[s]. See Section 8.]
[SOCIAL SECURITY INTEGRATION PERCENTAGE	[None][Direct Primary][Direct Full Family][All Sources]. [60%][70%]. See Section 8.]
[SPOUSE DISABILITY BENEFIT	This benefit is [not] included for this class. See Section 23.]
[SPECIAL CONDITIONS LIMITATION	This benefit is [not] included for this class. See Section 11.]
[SUPPLEMENTAL DISABILITY BENEFIT	This benefit is [not] included for this class. See Section 19.]
[SURVIVOR BENEFIT [ADVANCED SURVIVOR BENEFIT	[3 months.] [6 months.] See Section 8. [[[1-2] year[s].] [[12-24] months.] See Section 8.]
[TOTAL BENEFIT CAP	If a Person is eligible to receive benefits under the policy in addition to the [Monthly][Weekly] Benefit, the total benefit payable to the Person on a [monthly][weekly] basis (including all benefits provided under the policy) will not exceed [100%-120%] of the Person's Basic [Monthly][Weekly] Earnings.]

SECTION 1 - SCHEDULE OF BENEFITS (continued)

[Class 01-Option 01]

TOTAL DISABILITY DEFINITION	[Regular Occupation][Regular Job][Any Occupation][[1-10] year Regular [Occupation][Job]; Any Occupation thereafter]. See Section 2.
[VOCATIONAL REHABILITATION PROGRAM (VOLUNTARY)	This benefit is [not] included for this class. See Section 16A.]
[VOCATIONAL REHAB BENEFIT	This benefit is [not] included for this class. See Section 16A]
WAITING PERIOD	[0-360][days, months, years] See Section 2.
[WAIVER OF PREMIUM	This benefit is [not] included for this class. See Section 6.]
[WEEKLY BENEFIT	[The Maximum Weekly Benefit of [\$50-\$5,000], as elected in increments of [\$5-\$1,000], not to exceed [10%-100%] of the Person's Basic Weekly Earnings.] [A benefit amount equal to [\$50-\$2,000], not to exceed [10%-100%] of Basic Weekly Earnings.] [A flat benefit amount equal to [\$50-\$2,000]. [[10%-70%] of Basic Weekly Earnings not to exceed Maximum Weekly Benefit of [\$50-\$2,000].] [The Weekly Benefit will be reduced by Other Income Benefits.] [A Person who is currently enrolled and Actively at Work may increase his Weekly Benefit annually during an AUL approved enrollment Period.] See Section 8.]
[WORKPLACE MODIFICATION BENEFIT	This benefit is [not] included for this class. See Section 17.]
[401(k), or 403(b) or 457 CONTRIBUTION BENEFIT	This benefit is [not] included for this class. See Section 21.]

SECTION 2 - DEFINITIONS

[ACTIVE PAY STATUS means the Person is receiving pay from the Policyholder and pay includes, but is not limited to, vacation leave, sick leave, bereavement leave, administrative leave, Compensatory Time, holidays, and personal leave. Active Pay Status would not apply to a Person who is terminated as a result of performing a wrongful act.]

ACTIVE WORK and ACTIVELY AT WORK means the use of time and energy in the services of the Policyholder at the regular place of employment, or an alternative worksite as approved by the Policyholder and AUL, by a Person who is physically and mentally capable of performing each of the Material and Substantial duties of his [Regular Occupation] [Regular Job] and who is a Full-Time Employee. If the alternative worksite is located outside of the United States or Canada, the Person will be considered to be Actively at Work unless the Person is outside of the United States or Canada for more than [6] months in any [12] month period. [A Person in Active Pay Status will be considered Actively at Work.] Active Work does not include periods of time when an Employee is not Actively at Work following an Injury, accidental bodily injury, Sickness, strike, lock-out, or Temporary Layoff[, unless the Person is in Active Pay Status].

This includes time off for vacation, jury duty, paid holidays, and funeral leave, where the Person could have been Actively at Work on that day.

[ANNUAL INCREASE IN BENEFIT (AIB) means an additional amount of coverage that may be available to a Person annually if certain specified conditions are met.]

[ANY OCCUPATION means a Person's occupation for which he receives remuneration.]

SECTION 2 - DEFINITIONS

[For sub-chapter S corporation shareholders: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars before taxes, received from the Policyholder. Gross income is based on the amount as last reported to AUL in writing by the Policyholder and approved in writing by AUL, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability and is further based on:

- 1) [the [monthly][weekly] average of the Person's gross income on his last reported Federal IRS W-2 Form shown as wages, tips, and other compensation. Earnings [include] [do not include] pre-tax contributions to an employer-sponsored defined contribution plan and a cafeteria plan, if any. If the Person has not worked long enough to receive a Federal IRS W-2 Form from the Policyholder, gross [monthly][weekly] income will be the [monthly][weekly] average of the last amount of gross income reported to AUL in writing by the Policyholder for which premiums were paid and the coverage amount was approved in writing by AUL; and]
- 2) [shareholder earnings reported as ordinary income (loss) for trade or business activities on the Sub S corporation's Federal IRS Tax Form Schedule K-1 1120S, or similar form acceptable to AUL, averaged for the LESSER of:
 - a) the most recent [2][3] years; or
 - b) the period that the Person has been a shareholder].

The last reported earnings should be adjusted annually upon completion of the tax form, a copy of which should be submitted to AUL. AUL will use the earnings amount last reported in writing, for which premiums were paid, and the coverage amount was approved by AUL in writing before the Person's Date of Disability.]

[For principals of a partnership: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars before taxes, received from the Policyholder, not to exceed a maximum workweek of [40] hours including Partnership Earnings. Gross income is based on the amount as last reported to AUL in writing by the Policyholder and approved in writing by AUL, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include income received from commissions, bonuses, overtime, or expense accounts.

Partnership Earnings will be the [monthly][weekly] average of the amount shown as "net earnings (loss) from self-employment" from Schedule K-1 of the partnership federal income tax return for the LESSER of:

- 1) the [2][3] most recent years; or
- 2) the total number of months the Person was a partner, if the Person was not a partner for the entire [2][3] years.

The reported earnings should be adjusted annually upon completion of the tax form, a copy of which should be submitted to AUL. AUL will use the earnings amount last reported and approved in writing by AUL before the Person's Date of Disability.]

SECTION 2 - DEFINITIONS

[For sole proprietors: BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's annual net profit in U.S. dollars averaged for the LESSER of:

- 1) the [2][3] most recent years; or
- 2) the period that the Person has been a sole proprietor.

Gross income is based on the amount as last reported to AUL in writing by the Policyholder and approved in writing by AUL, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings are based upon the number taken from Schedule C of Federal IRS Form 1040 for the [monthly][weekly] average of [2][3] business years immediately prior to reporting. The reported earnings should be adjusted annually following completion of the appropriate tax form, a copy of which should be submitted to AUL. AUL will use the net profit amount last reported in writing, for which premiums were paid and the coverage amount was approved in writing by AUL before the Person's Date of Disability.]

SECTION 2 - DEFINITIONS

For all other Employees: [BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly] [weekly] income includes pre-tax contributions to an employer sponsored defined contribution plan and a cafeteria plan, if any. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include income received from commissions, bonuses, overtime, or expense accounts.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

For all other Employees: [BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly][weekly] income does not include pre-tax contributions to an employer sponsored defined contribution plan or a cafeteria plan. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include income received from commissions, bonuses, overtime, or expense accounts.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

For all other Employees: [BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly][weekly] income includes pre-tax contributions to an employer sponsored defined contribution plan and a cafeteria plan, if any. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings include income received from commissions, but not bonuses, overtime or expense accounts.

Commissions will be averaged for the [[6][12][24][36] months][[24][52][104][156] weeks] or other number of [months][weeks] as elected on the Application and as last reported to AUL in writing by the Policyholder and approved in writing by AUL before the Date of Disability. If the Person is actually employed less than the number of [months][weeks] elected, the commission will be averaged for the total number of [months][weeks] he was employed by the Policyholder. Any commission payments that continue after Disability begins will not be considered as part of the Basic [Monthly][Weekly] Earnings. Commissions do not include arbitrary commissions not directly related to the Person's production.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

SECTION 2 - DEFINITIONS

For all other Employees: [BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly][weekly] income does not include pre-tax contributions to an employer sponsored defined contribution plan or a cafeteria plan. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings include income received from commissions, but not bonuses, overtime or expense accounts.

Commissions will be averaged for the [[6][12][24][36] months][[24][52][104][156] weeks] or other number of [months][weeks] as elected on the Application and as last reported to AUL in writing by the Policyholder and approved in writing by AUL before the Date of Disability. If the Person is actually employed less than the number of [months][weeks] elected, the commission will be averaged for the total number of [months][weeks] he was employed by the Policyholder. Any commission payments that continue after Disability begins will not be considered as part of the Basic [Monthly][Weekly] Earnings. Commissions do not include arbitrary commissions not directly related to the Person's production.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

For all other Employees: [BASIC [MONTHLY][WEEKLY] EARNINGS means a Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly][weekly] income includes pre-tax contributions to an employer sponsored defined contribution plan and a cafeteria plan, if any. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings include income received from bonuses, but not commissions, overtime, or expense accounts.

Bonuses will be averaged for the [[6][12][24][36] months][[24][52][104][156] weeks] or other number of [months][weeks] as elected on the Application and as last reported to AUL in writing by the Policyholder and approved by AUL before the Date of Disability. If the Person is actually employed less than the number of [months][weeks] elected, the bonuses will be averaged for the total number of [months][weeks] he was employed by the Policyholder. Any bonus payments that continue after Disability begins will not be considered as part of the Basic [Monthly][Weekly] Earnings.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

SECTION 2 - DEFINITIONS

For all other Employees: [BASIC [MONTHLY][WEEKLY] EARNINGS means a Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly][weekly] income does not include pre-tax contributions to an employer sponsored defined contribution plan or a cafeteria plan. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings include income received from bonuses, but not commissions, overtime, or expense accounts.

Bonuses will be averaged for the [[6][12][24][36] months][[24][52][104][156] weeks] or other number of [months] [weeks] as elected on the Application and as last reported to AUL in writing by the Policyholder and approved by AUL before the Date of Disability. If the Person is actually employed less than the number of [months][weeks] elected, the bonuses will be averaged for the total number of [months][weeks] he was employed by the Policyholder. Any bonus payments that continue after Disability begins will not be considered as part of the Basic [Monthly][Weekly] Earnings.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

For all other Employees: [BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly][weekly] income includes pre-tax contributions to an employer sponsored defined contribution plan and a cafeteria plan, if any. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings include income received from commissions and bonuses, but not overtime or expense accounts.

Commissions and bonuses will be averaged for the [[6][12][24][36] months][[24][52][104][156] weeks] or other number of [months][weeks] as elected on the Application and as last reported to AUL in writing by the Policyholder and approved by AUL before the Date of Disability. If the Person is actually employed less than the number of [months][weeks] elected, the commissions and bonuses will be averaged for the total number of [months][weeks] he was employed by the Policyholder. Any commission or bonus payments that continue after Disability begins will not be considered as part of the Basic [Monthly][Weekly] Earnings. Commissions do not include arbitrary commissions not directly related to the Person's production.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

SECTION 2 - DEFINITIONS

For all other Employees: [BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed a maximum workweek of [40] hours. Gross [monthly][weekly] income does not include pre-tax contributions to an employer sponsored defined contribution plan or a cafeteria plan. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings include income received from commissions and bonuses, but not overtime or expense accounts.

Commissions and bonuses will be averaged for the [[6][12][24][36] months] [[24][52][104][156] weeks] or other number of [months][weeks] as elected on the Application and as last reported to AUL in writing by the Policyholder and approved by AUL before the Date of Disability. If the Person is actually employed less than the number of [months][weeks] elected, the commissions and bonuses will be averaged for the total number of [months][weeks] he was employed by the Policyholder. Any commission or bonus payments that continue after Disability begins will not be considered as part of the Basic [Monthly][Weekly] Earnings. Commissions do not include arbitrary commissions not directly related to the Person's production.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

For all other Employees: [BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder. Gross [monthly][weekly] income is based on the [monthly][weekly] average of the Person's gross income on his last reported Federal IRS W-2 Form shown as wages, tips and other compensation. Gross income is based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings include pre-tax contributions to an employer sponsored defined contribution plan and a cafeteria plan, if any.

If the Person has not worked long enough to receive a Federal IRS W-2 Form from the Policyholder, gross [monthly][weekly] income will be the [monthly][weekly] average of the last amount of gross income reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL.]

For all other Employees: [BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder. Gross [monthly][weekly] income is based on the [monthly][weekly] average of the Person's gross income on his last reported Federal IRS W-2 Form shown as wages, tips, and other compensation. Gross income is based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include pre-tax contributions to an employer sponsored defined contribution plan or a cafeteria plan.

If the Person has not worked long enough to receive a Federal IRS W-2 Form from the Policyholder, gross [monthly][weekly] income will be the [monthly][weekly] average of the last amount of gross income reported to AUL in writing by the Policyholder for which premiums were paid and the coverage amount was approved in writing by AUL]

SECTION 2 - DEFINITIONS

For all other Employees: [BASIC [MONTHLY][WEEKLY] EARNINGS means [1/12][1/52] of the Person's annual gross income in U.S. dollars, before taxes, received from the Policyholder. This includes pre-taxed contributions to an employer sponsored defined contribution plan and cafeteria plans, if any. Gross annual income is based on the amount as last reported in writing to AUL by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include income received from expense accounts.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

For all other Employees: [BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder not to exceed the Person's earnings received in the school plan year immediately prior to the current school plan year. Gross [monthly][weekly] income includes pre-tax contributions to an employer sponsored defined contribution plan and a cafeteria plan, if any. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include income received from commissions, bonuses, overtime pay, or expense accounts.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12] [1/52] of the annual gross income.]

For all other Employees: [BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder. Gross [monthly][weekly] income is based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved by AUL in writing, before the Date of Disability. If Integration with Other Income Benefits is not elected in the Application, then earnings include only compensation lost due to Disability.

The earnings will be the [monthly][weekly] average of the earnings reported as Nonemployee Compensation on Form 1099-MISC, or similar form acceptable to AUL, averaged for the LESSER of:

- 1) the most recent [2][3] years; or
- 2) the period that the Person has received Nonemployee Compensation from the Policyholder.

The reported earnings should be adjusted annually upon completion of the appropriate tax form and a copy should be submitted to AUL. AUL will use the earnings amount last reported in writing, for which premiums were paid, and the coverage amount was approved by AUL in writing before the Person's Date of Disability.]

SECTION 2 – DEFINITIONS

For all other Employees: [BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder. Gross [monthly][weekly] income includes pre-tax contributions to an employer sponsored defined contribution plan and a cafeteria plan, if any. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include income received from commissions, bonuses, or expense accounts.

Overtime pay is defined as earnings paid by the Policyholder for services beyond the normal scheduled work hours.

Overtime pay will be averaged for the lesser of:

- 1) [52 week][12 month] period of the Person's employment with the Policyholder just prior to the Person's Date of Disability; or
- 2) The period of the Person's actual employment with the Policyholder.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

For all other Employees: [BASIC [MONTHLY][WEEKLY] EARNINGS means the Person's gross [monthly][weekly] income in U.S. dollars, before taxes, received from the Policyholder. Gross [monthly] [weekly] income does not include pre-tax contributions to an employer sponsored defined contribution plan or a cafeteria plan. These earnings are based on the amount as last reported to AUL in writing by the Policyholder, for which premiums were paid and the coverage amount was approved in writing by AUL before the Date of Disability. Earnings do not include income received from commissions, bonuses, or expense accounts.

Overtime pay is defined as earnings paid by the Policyholder for services beyond the normal scheduled work hours.

Overtime pay will be averaged for the lesser of:

- 1) [52 week] [12 month] period of the Person's employment with the Policyholder just prior to the Person's Date of Disability; or
- 2) The period of the Person's actual employment with the Policyholder.

If the Person is paid his annual gross income in less than [12 months][52 weeks], the Basic [Monthly][Weekly] Earnings shall equal [1/12][1/52] of the annual gross income.]

SECTION 2 – DEFINITIONS

CHILD(REN) means a minor related by blood, marriage or court order that can be claimed as a dependent for federal income tax purposes, such as:

- 1) natural born child(ren) of the Person;
- 2) legally adopted child(ren) of the Person from the time of placement in the Person's home and the filing of documents with the court to adopt;
- 3) stepchild(ren) who lives with the Person; and
- 4) child(ren) for whom the Person has legal guardianship.

COMPENSATORY TIME means time off with pay in lieu of overtime pay for regularly scheduled or irregular or occasional overtime work.

CONSUMER PRICE INDEX (CPI) means the statistical measure of the average change in prices figured by the United States Dept. of Labor, Bureau of Labor Statistics. The percent change in the Consumer Price Index for all Urban Consumers (CPI-U); U.S. City Average for All Items, for the prior calendar year will be used in calculations. If the CPI is discontinued or if its method of computation is significantly changed, AUL may use another comparable index.

COSMETIC SURGERY means surgery that is performed to change the texture, shape or structure of any part of the human body for the purpose of creating a different visual appearance.

COVERAGE MONTH means that period of time beginning on the Person's Individual Effective Date, and continuing from the first day and ending on the last day of each succeeding Policy Month.

CURRENT [MONTHLY] [WEEKLY] INCOME means the income a Person receives while Disabled, plus the income the Person could receive if he were working to his Maximum Capacity. [Current [Monthly][Weekly] Income does not include income from Salary Continuance.] [Current [Monthly][Weekly] Income does not include gross income shown as wages, tips and other compensation and pre-tax contributions on the last reported Federal IRS W-2 Form.] [Current [Monthly][Weekly] Income does not include shareholder earnings reported as ordinary income (loss) for trade or business activities on the Sub S Corporation's Federal IRS Tax Form Schedule K-1 1120S.]

If a Person is employed in a second job, at the same time he is Actively at Work as a Full-Time Employee for the Policyholder, and becomes Disabled under the policy, the following will apply during the Elimination Period and while receiving Disability benefits under the policy:

- 1) any income received from the second job will be considered Current [Monthly][Weekly] Income only to the extent that it exceeds the average [monthly][weekly] income received from that job during the [6] month period immediately prior to becoming Disabled; and
- 2) if the Person has worked for the second employer less than [6] months, the income will be averaged for the total number of months he was employed.

If a Person receives Current [Monthly][Weekly] Income in a Lump Sum, the Lump Sum Payment provision will apply.

SECTION 2 - DEFINITIONS

DATE OF DISABILITY means the first date the Person is Disabled.

DATE OF HIRE means the first day the Employee is Actively at Work in an eligible class for the Policyholder.

DISABILITY and DISABLED mean both Total Disability and Totally Disabled [and Partial Disability and Partially Disabled].

DUE DATE means the first day of the Policy Month for which the premium is payable.

ELIGIBILITY DATE means the date that an Employee in an eligible class has satisfied his Waiting Period and AUL determines he is eligible for Personal Insurance under the policy.

ELIGIBLE SURVIVOR means:

- 1) the Person's legal Spouse; or
- 2) the Person's unmarried Child(ren) under the age of 26, if the Child(ren) can be claimed as a dependent on the Person's federal income tax return.

[ELIMINATION PERIOD means a period of consecutive days of [Total] Disability for which no benefit is payable. The Elimination Period is set forth on the Schedule of Benefits and begins on the first day of [Total] Disability.]

[ELIMINATION PERIOD means a period of consecutive days of [Total] Disability for which no benefit is payable. The Elimination Period begins on the first day of [Total] Disability and ends on the LATER of:

- 1) the day ending the period of consecutive days stated on the Schedule of Benefits; or
- 2) the day ending the period of time for which Salary Continuance is [received][available] from the Policyholder.]

SECTION 2 - DEFINITIONS

EMPLOYEE means any individual who is a full-time employee (including owners, proprietors, partners, members or corporate officers) of the Policyholder [or any 1099-compensated Person with a current annual contract on file with the Policyholder]:

- 1) whose employment with the Policyholder constitutes his principal occupation;
- 2) who works at that occupation a minimum number of hours as stated by the Policyholder in the Application;
- 3) who is working at the Policyholder's regular place of business which may include an alternative worksite if approved by the Policyholder and AUL;
- 4) who is not a part-time, temporary or seasonal Employee; and
- 5) who is authorized to work in the United States under applicable state and federal laws; or
- 6) if approved by AUL:
 - a) who legally works and resides in Canada;
 - b) who legally works in the United States and resides in Canada; or
 - c) who legally works in Canada and resides in the United States.

EMPLOYER means the entity or organization for which the Person performs services and which has the right to control what will be done[and how it will be done. An Employer has the right to control the details of how the services are performed by the Person. The Person must not be considered an independent contractor or agent unless classified by the IRS as a statutory employee of the Employer]. The Employer is the entity or organization for which the Person performs his occupation, and is required to withhold and pay income, social security, and Medicare taxes on wages.

[EMPLOYER'S RETIREMENT PLAN means any defined benefit or defined contribution plan that provides retirement benefits to Employees and that is not funded wholly by Employee contributions. It includes any retirement plan that:

- 1) is part of any federal, state, county, municipal or association retirement system; and
- 2) that a Person is eligible for as a result of his employment with the Policyholder.

It does not include:

- 1) [profit sharing plans;
- 2) thrift or savings plans;
- 3) Individual Retirement Accounts (IRAs) or Roth IRAs funded wholly by a Person's contributions;
- 4) Tax Sheltered Annuities (TSA);
- 5) Stock Ownership Plans (ESOP);
- 6) nonqualified deferred compensation plans, including 457 plans;
- 7) Keogh, 401(k) or 403(b) plans; or
- 8) Veteran Administration Benefits except benefits that are a result of the same Disability for which a [Monthly] [Weekly] Benefit is payable under the policy.]]

EVIDENCE OF INSURABILITY means a statement or proof of an Employee's medical history upon which eligibility for insurance will be determined by AUL.

SECTION 2 - DEFINITIONS

FAMILY SOCIAL SECURITY BENEFITS means benefits that a Person, his Spouse or Child(ren) are entitled to receive as a result of the Person's eligibility for disability insurance benefits or old age insurance benefits through the Federal Social Security Administration.

[FAMILY STATUS CHANGE means an increase or decrease in coverage resulting from specific events occurring in a Person's life.]

FRANCHISE COVERAGE means disability insurance coverage which allows Employees to be insured as part of their relationship with the Policyholder but such coverage is not part of an employee welfare benefit plan and the Employees are insured under individual policies.

[GAINFUL OCCUPATION means an occupation that is or can be expected to provide a Person with an income within [6-24] months of the Person's return to work, that exceeds:

- 1) [60%-99%] of the Person's [Indexed] Pre-disability Earnings, if the Person is working;
- 2) [60%-99%] of Person's [Indexed] Pre-disability Earnings, if the Person is not working.]

[GAINFUL OCCUPATION means an occupation that is or can be expected to provide a Person with an income within [6-24] months of the Person's return to work, that exceeds [60%-99%] of the Person's [Indexed] Pre-disability Earnings.]

[GAINFUL OCCUPATION means an occupation that is or can be expected to provide a Person with an income within [6-24] months of the Person's return to work, that exceeds the Gross [Monthly] [Weekly] Benefit.]

GROSS [MONTHLY] [WEEKLY] BENEFIT means a Person's [Monthly] [Weekly] Benefit [before any reduction for Other Income Benefits].

GUARANTEED ISSUE AMOUNT means the amount of coverage that does not require Evidence of Insurability. This amount is shown on the Schedule of Benefits page.

INDEXED PRE-DISABILITY EARNINGS means the Person's Pre-Disability Earnings increased annually by the Consumer Price Index, up to a maximum increase of 10%. The increase will be effective on the [July 1st] following the first 12 consecutive calendar months of receiving Disability benefits and on each subsequent [July 1st].

INDIVIDUAL REINSTATEMENT means that Personal Insurance that has been terminated due to cessation of Active Work may be reinstated in accordance with Section 5A.

INJURY means a sudden, unforeseen and unexpected event that occurs independently of all other causes and causes physical harm to the Person. This includes all other conditions related to the same Injury.

MALE PRONOUN whenever used includes the female.

MATERIAL AND SUBSTANTIAL DUTIES means duties that:

- 1) are normally required for the performance of an occupation; and
- 2) cannot be reasonably omitted or modified.

SECTION 2 - DEFINITIONS

MAXIMUM BENEFIT DURATION means the maximum amount of time that benefits will be payable for Disability. This amount of time is stated on the Schedule of Benefits.

[**MAXIMUM CAPACITY** means, based on the Person's restrictions and limitations:

- 1) during the first [1-10] year[s] of payments, the greatest extent of work the Person is able to do in his [Regular Occupation] [Regular Job]; and
- 2) beyond [1-10] year[s] of payments, the greatest extent of work the Person is able to do in any occupation for which he is reasonably fitted by education, training or experience.]

[**MAXIMUM CAPACITY** means, based on the Person's restrictions and limitations, the greatest extent of work the Person is able to do in [his [Regular Occupation]][Regular Job]][Any Occupation].]

MAXIMUM [MONTHLY][WEEKLY] BENEFIT means the maximum amount of benefit payable to a Person on a [monthly][weekly] basis as stated on the Schedule of Benefits.

[**MEDICALLY NECESSARY** means health care services that a Physician, exercising prudent clinical judgment, would provide to a Person for the purpose of evaluating, diagnosing or treating a Sickness or Injury, or its symptoms, and that are:

- 1) in accordance with the generally accepted standards of medical practice;
- 2) clinically appropriate, in terms of type, frequency, extent, site and duration, and considered effective for the Person's Sickness or Injury; and
- 3) not primarily for the convenience of the Person or Physician, or other Physician, and not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of that Person's Sickness or Injury.]

MENTAL ILLNESS means a psychiatric or psychological condition classified in the *Diagnostic and Statistical Manual of Mental Health Disorders (DSM)*, published by the American Psychiatric Association, most current as of the start of a Disability. Such disorders include, but are not limited to, psychotic, emotional or behavioral disorders, or disorders related to stress or to substance abuse or dependency. If the *DSM* is discontinued or replaced, these disorders will be those classified in the diagnostic manual then used by the American Psychiatric Association as of the start of a Disability.

[**MONTHLY BENEFIT** means the amount payable monthly by AUL to the Disabled Person. This is the amount stated on the Schedule of Benefits[, less Other Income Benefits]].

[**NON-DISABLING** means no other benefits are payable under the policy as a result of the condition for which the treatment was rendered.]

SECTION 2 - DEFINITIONS

OPTION means the benefits and provisions chosen on the Application by the Policyholder.

OPTION YEAR means a one-year period beginning on the Policyholder's Anniversary Date or on each subsequent anniversary of the Policyholder's Anniversary Date.

[OTHER INCOME BENEFITS means those benefits listed below that the [Person is][Person, his Spouse or Child(ren) are] entitled to receive. It includes any benefit for which they are eligible, or that is paid to them or a Third Party on their behalf, including:

- 1) disability income benefits, including any damages or settlements made in place of such benefits (whether or not liability is admitted) under:
 - a) any Workers' or Workmen's Compensation Law;
 - b) The Jones Act;
 - c) Maritime Doctrine of Maintenance, Wages or Cure;
 - d) Longshoremen's and Harbor Workers' Act;]
 - e) any automobile liability insurance or no-fault motor vehicle plan, whichever is applicable;]
 - f) a Third Party (after subtracting attorney's fees) by judgment, settlement or otherwise [not to exceed 50% of the net settlement];]
 - g) state compulsory benefit law, including any state disability income benefit law or similar law;
 - h) disability benefits from the Veteran's Administration, or any other foreign or domestic governmental agency, that begins *after* a Person becomes Disabled. This includes the amount of any increase in a benefit that a Person was receiving prior to becoming Disabled if the increase is attributed to the same disability for which the Person is currently receiving a [Monthly][Weekly] Benefit under the policy; and
 - i) any other similar act or law;
- 2) any disability income benefit for which the Person is eligible under any other employee welfare benefit plan, or arrangement of coverage, whether insured or not, as a result of the Person's employment with the Policyholder[. However, when the Person's Basic [Monthly][Weekly] Earnings exceed his Covered [Monthly][Weekly] Earnings, the [Monthly][Weekly] Benefit will not be reduced by such income unless when combined with the Other Income Benefits the total exceeds [80%] of Basic [Monthly][Weekly] Earnings. If it does, the [Monthly][Weekly] Benefit will be reduced by the amount that is in excess of [80%] of the Basic [Monthly][Weekly] Earnings];]
- 3) retirement and/or disability income benefits paid under an Employer's Retirement Plan except for amounts attributable to a Person's contributions;]
- 4) any disability income or retirement benefit that has been received or is eligible to be received from:
 - a) the Social Security Administration or any similar law, plan or act, including the initial enactment and all amendments;
 - b) the Canada Pension Plan;
 - c) the Quebec Pension Plan;
 - d) the Railroad Retirement Act; or
 - e) any other state, provincial or local government act or law or any other similar act or law provided in any jurisdiction;
- 5) any amounts received from partnership or proprietorship draws or similar draws[;] [and]
- 6) any Current [Monthly][Weekly] Income[; and
- 7) any Salary Continuance, unless a Person's combined Gross [Monthly][Weekly] Benefit and all Other Income Benefits exceeds 100% of his Pre-Disability Earnings. In such event, any amount in excess of 100% of his Pre-Disability Earnings will be considered as Other Income Benefits].

SECTION 2 - DEFINITIONS

[The following items are NOT considered Other Income Benefits and will not be deducted from the Gross
[Monthly][Weekly] Benefit payable to the Person:

- 1) profit sharing plans;
- 2) thrift or savings plans;
- 3) Individual Retirement Accounts (IRA) or Roth IRAs funded wholly by a Person's contributions;
- 4) Tax Sheltered Annuities (TSA);
- 5) Stock Ownership Plans (ESOP);
- 6) nonqualified deferred compensation plans, including 457 plans;
- 7) Keogh, 401(k) or 403(b) plans;
- 8) Veteran Administration Benefits except those benefits that are a result of the same Disability for which a [Monthly]
[Weekly] Benefit is payable under the policy;
- 9) credit disability insurance;
- 10) pension plans for partners;
- 11) individual disability policies paid for by the Person and not sponsored by the Policyholder;
- 12) Social Security Widow's benefits paid under the deceased Spouse's earnings record;
- 13) Social Security retirement income received by the Person if his disability begins after age 62 and he was already
receiving Social Security retirement income payments;
- 14) Retirement plans from other employers;[and
- 15) Salary Continuance Plans;][and][
- 16) no-fault automobile insurance plans].]

SECTION 2 - DEFINITIONS

[OUTPATIENT SURGERY means surgery where the Disabled Person is admitted and discharged from the hospital or surgery center on the same day, not requiring an overnight stay. This may also be known as ambulatory surgery, same-day surgery or day surgery.]

[PARTIAL DISABILITY and PARTIALLY DISABLED mean that because of Injury or Sickness:

- 1) the Person cannot perform the Material and Substantial Duties of his [Regular Occupation] [Regular Job] as a Full-Time Employee, but:
 - a) is performing at least one of the Material and Substantial Duties of his [Regular Occupation] [Regular Job], or another occupation, on a part or full-time basis;
 - b) his Current [Monthly][Weekly] Income is less than [60%-90%] of his Indexed Pre-Disability Earnings due to the same Injury or Sickness that caused his Disability; and
 - c) he is under the Regular Attendance of a Physician for that Injury and Sickness; and
- 2) after Disability Benefits have been paid for [1-10] year[s] under the policy due to the same Injury or Sickness:
 - a) the Person cannot perform the duties of *any* Gainful Occupation for which he is reasonably fitted by training, education or experience;
 - b) his Current [Monthly][Weekly] Income is less than [60%-90%] of his Indexed Pre-Disability Earnings due to the same Injury or Sickness that caused his Disability; and
 - c) he is under the Regular Attendance and care of a Physician for that Injury or Sickness.]

[PARTIAL DISABILITY and PARTIALLY DISABLED mean that because of Injury or Sickness the Person cannot perform the Material and Substantial Duties of [his Regular [Occupation][Job]][any Gainful Occupation] as a Full-Time Employee, but:

- 1) is performing at least one of the Material and Substantial Duties of [his Regular [Occupation][Job], or another occupation][any Gainful Occupation], on a part or full-time basis;
- 2) his Current [Monthly][Weekly] Income is less than [60%-90%] of his Indexed Pre-Disability Earnings due to the same Injury or Sickness that caused his Disability; and
- 3) he is under the Regular Attendance of a Physician for that Injury and Sickness.]

[Loss of occupational license for any reason does not in itself constitute Partial Disability.]

PERSON means an Employee who has met the requirements of the Eligibility, Enrollment and Individual Effective Date of Insurance Sections of the policy.

PERSONAL INSURANCE means the insurance provided under the policy for an insured Person.

PHYSICIAN means a qualified, state licensed doctor of medicine or osteopathy, and any other licensed health care provider that state law requires to be recognized as a Physician, practicing within the scope of his license and applicable law. Physician does not include a Physician employed by the Policyholder, a Person or anyone related to a Person by blood, marriage, civil union, or domestic partnership.

SECTION 2 - DEFINITIONS

POLICYHOLDER means any sole proprietorship, partnership, member, corporation, limited liability company, limited liability partnership, firm, school district, individual school, union, association, organization or other instrumentality of a state or political subdivision thereof, that has been approved by AUL and to whom the policy is issued. An entity that is subsidiary to or affiliated with the Policyholder, as defined below is eligible for coverage under the policy if it is shown on the Application or later added by amendment to the policy.

A subsidiary may be included in this definition when the Policyholder owns more than 50% of the voting stock of the subsidiary corporation.

An affiliate may be included in this definition when the entity is under common control with the Policyholder through 51% or more ownership and control.

The Policyholder is liable for all premiums due for subsidiaries and affiliates during any period of time a subsidiary and/or affiliate is insured under the policy. Any notice given to the Policyholder by AUL shall be considered notice given to the subsidiary and/or affiliate.

POLICYHOLDER'S EFFECTIVE DATE means the date that coverage is actually effective for the Policyholder under the policy, as determined by AUL.

POLICYHOLDER'S ANNIVERSARY DATE means [March 1st] of each year.

PRE-DISABILITY EARNINGS means the Person's Basic [Monthly][Weekly] Earnings in effect immediately prior to his Date of Disability, as last reported to AUL in writing by the Policyholder.

[PRE-EXISTING CONDITION means any condition for which a Person has done [, or for which an ordinarily prudent Person would ordinarily have done] any of the following at any time during the [30 days][[3][6][12] months] immediately prior to the Person's Individual Effective Date of Insurance, whether or not that condition was diagnosed at all or was misdiagnosed during that period of time:

- 1) received medical treatment or consultation;
- 2) taken or were prescribed drugs or medicine; or
- 3) received care or services, including diagnostic measures.]

SECTION 2 - DEFINITIONS

PRIMARY SOCIAL SECURITY BENEFITS means benefits that the Person is entitled to receive for himself as a result of his eligibility for benefits through the Social Security Administration.

PRIOR PLAN means the Policyholder's plan of long or short term disability insurance, which terminated on the day immediately before the [1-90] days before the Policyholder's Effective Date of coverage under the policy.

REGULAR ATTENDANCE means that a Person:

- 1) personally visits a Physician as medically required according to standard medical practice, to effectively manage and treat the Person's Disability;
- 2) is receiving the most appropriate treatment and care that will maximize his medical improvement and aid in his return to work; and
- 3) is receiving care by a Physician whose specialty or clinical experience is appropriate for the Disability.

[**REGULAR JOB** means the job a Person was performing for the Policyholder immediately prior to the Date of Disability.]

[**REGULAR OCCUPATION** means a Person's occupation as it is recognized in the general workplace and according to industry standards. The Person's time, energy and services must be performed at the Policyholder's regular place of employment, or an alternative worksite approved by AUL. For Actively at Work requirements, a Person's alternative worksite may not be located outside of the United States or Canada for more than 6 months in any 12 month period. A Person's occupation does not mean the specific job tasks he does for the Policyholder or at a specific location. For example, an attorney's Regular Occupation means the practice of law as defined under applicable laws versus a specialized area within the practice of law.]

[**SALARY CONTINUANCE** means vacation pay, sick leave pay and/or paid time off pay, holiday pay and a documented formal salary continuation plan for Sickness or Injury received by a Person after his Date of Disability.]

SICKNESS means illness, bodily disorder or disease, Mental Illness, normal pregnancy and Complications of Pregnancy. Complications of Pregnancy is defined as a concurrent disease or abnormal conditions significantly affecting the usual medical management of pregnancy.

SOCIAL SECURITY means the United States Social Security Act or any similar law, plan or act including the initial enactment and all amendments.

SPOUSE means an individual to whom the Person is legally married. Whenever the term Spouse appears in the policy, this provision also incorporates the definition of civil union and domestic partner into the policy.

Spouse does not include an individual from whom the Person is divorced or from whom the Person has dissolved a civil union or a domestic partnership.

SECTION 2 – DEFINITIONS

TERMINAL ILLNESS means a diagnosed illness that, according to generally accepted medical standards, is expected to result in death within [12] months.

THIRD PARTY means an individual, entity or an insurance company other than AUL.

[**TOTAL DISABILITY** and **TOTALLY DISABLED** mean that because of Injury or Sickness:

- 1) a Person cannot perform the Material and Substantial Duties of his [Regular Occupation] [Regular Job];
- 2) a Person is not working in any occupation; and
- 3) a Person is under the Regular Attendance of a Physician for that Injury or Sickness.]

[**TOTAL DISABILITY** and **TOTALLY DISABLED** mean that because of Injury or Sickness:

- 1) a Person cannot perform the Material and Substantial Duties of his [Regular Occupation][Regular Job]; and
- 2) after the Monthly Benefit has been paid for [1-10] year[s], a Person cannot perform the duties of any Gainful Occupation for which he is reasonably fitted by training, education or experience; and
- 3) a Person is under the Regular Attendance of a Physician for that Injury or Sickness.]

[**TOTAL DISABILITY** and **TOTALLY DISABLED** mean that because of Injury or Sickness:

- 1) a Person cannot perform the Material and Substantial Duties of any Gainful Occupation for which he is reasonably fitted by training, education or experience; and
- 2) a Person is under the Regular Attendance of a Physician for that Injury or Sickness.]

[Loss of occupational license for any reason does not in itself constitute Total Disability.]

[**TREATMENT FREE** means the Person has not received medical treatment, consultation, care or services including diagnostic measures, and the Person has not taken or been prescribed drugs or medicines for the Pre-existing Condition.]

WAITING PERIOD means the period of days, starting on the Date of Hire, that an Employee must be continuously Actively at Work while in an eligible class. [Part time employees will receive credit for the number of continuous days worked for the Policyholder immediately prior to being hired as a Full-Time Employee.] The Waiting Period is stated in the Schedule of Benefits.

[**WEEKLY BENEFIT** means the amount payable weekly by AUL to the Disabled Person. It is the Gross Weekly Benefit[, reduced by Other Income Benefits].

SECTION 3 - ELIGIBILITY, ENROLLMENT and INDIVIDUAL EFFECTIVE DATE OF INSURANCE

INITIAL EMPLOYEE means an Employee who is employed by the Policyholder before the Policyholder's Effective Date.

NEW EMPLOYEE means an Employee who is employed by the Policyholder on or after the Policyholder's Effective Date.

LATE ENROLLEE: A Late Enrollee is an Initial or New Employee who is Actively at Work, but does not request coverage during his Initial Enrollment Period. [Enrollment after the Initial Enrollment Period can only be done during a Scheduled Enrollment Period and will require satisfactory Evidence of Insurability, without expense to AUL.]

ELIGIBILITY DATE: An Employee who is in an eligible class as stated in the Schedule of Benefits and has satisfied his Waiting Period, becomes eligible for Personal Insurance under the policy on:

- 1) *Initial Employee: the later of:*
 - a) the Policyholder's original Effective Date of coverage under the policy; or
 - b) the day immediately following completion of the Waiting Period.
- 2) *New Employee[and Late Enrollee]:*
 - a) the day immediately following completion of the Waiting Period]; or
 - b) the first day of the Coverage Month immediately following completion of the Waiting Period]; or
 - c) the first day of the next Scheduled Enrollment Period]; or
 - d) the Policyholder's Anniversary Date following the next Scheduled Enrollment Period].

ENROLLMENT: To be considered for coverage, an eligible Employee must apply correctly and truthfully for Personal Insurance under the policy. Eligible Employees applying for Personal Insurance must complete and sign a request for coverage via an enrollment method approved by AUL within 31 days of their Eligibility Date and pay the required premiums before coverage will become effective. This form will be given to and maintained by the Policyholder. Coverage may only be requested during, as follows:

- 1) **INITIAL ENROLLMENT PERIOD:** The Initial Enrollment Period is the time during which an eligible Employee who is Actively at Work may first enroll for coverage following completion of the Waiting Period without providing Evidence of Insurability. An eligible Employee may waive coverage or request coverage under any Option offered by the Policyholder for his class. The Initial Enrollment Period includes the following periods, during which an Employee may make his initial application for coverage under the policy:
 - a) *Initial Employee:* the Initial Enrollment Period is the period of time agreed to by AUL and the Policyholder and is stated on the Schedule of Benefits; or
 - b) *New Employee:* the Initial Enrollment Period is [the period that begins on the Eligibility Date and continues through the number of days as stated in the Schedule of Benefits;][the first Scheduled Enrollment Period beginning on or following the Employee's Eligibility Date;] or
 - c) *Initial or New Employee not Actively at Work during his Initial Enrollment Period:* an Initial or New Employee not Actively at Work during his Initial Enrollment Period may enroll, without Evidence of Insurability, within 31 days from the date he returns to Active Work if:
 - i) he is in an eligible class as stated in the Schedule of Benefits; and
 - ii) his Waiting Period was completed prior to his cessation of Active Work.

**SECTION 3 - ELIGIBILITY, ENROLLMENT and
INDIVIDUAL EFFECTIVE DATE OF INSURANCE**

[

- 2) SCHEDULED ENROLLMENT PERIOD: This is a recurrent period of time starting after the Policyholder's original Effective Date, chosen by the Policyholder and approved by AUL, during which:
- a) [a New Employee] [or] [an eligible Late Enrollee] may apply for coverage under the policy via an enrollment method approved by AUL [.]; or[
 - b) a Person may change from one Option to another Option under the policy, [with][without] satisfactory Evidence of Insurability[.]; or[
 - c) an eligible Person may increase his [Monthly][Weekly] Benefit by the Annual Increase In Benefit amount as stated in the Schedule of Benefits without Evidence of Insurability. See Section 4[.]; or[
 - d) an eligible Person may increase his [Monthly][Weekly] Benefit to an amount in excess of the Annual Increase In Benefit Amount as stated in the Schedule of Benefits with satisfactory Evidence of Insurability. See Section 4[.]; or[
 - e) an eligible Late Enrollee may apply, via an enrollment method approved by AUL, for a [Monthly][Weekly] Benefit amount [in excess of the Guaranteed Issue Amount for Late Enrollees as stated in the Schedule of Benefits] with satisfactory Evidence of Insurability.] See Section 4.

The Scheduled Enrollment Period is chosen by the Policyholder and must be approved by AUL.]

**SECTION 3 - ELIGIBILITY, ENROLLMENT and
INDIVIDUAL EFFECTIVE DATE OF INSURANCE**

INDIVIDUAL EFFECTIVE DATE OF INSURANCE

Initial Employees:

- 1) The Individual Effective Date of Insurance for an eligible Initial Employee who has satisfied the Waiting Period prior to the Policyholder's original Effective Date is the Policyholder's original Effective Date under the policy as long as the Initial Employee:
 - a) requested coverage during the Initial Enrollment Period; and
 - b) is Actively at Work for the Policyholder on that date.
- 2) The Individual Effective Date of Insurance for an eligible Initial Employee who has not satisfied the Waiting Period prior to the Policyholder's original Effective Date is stated on the Schedule of Benefits and applies as long as the Initial Employee:
 - a) requested coverage during the Initial Enrollment Period; and
 - b) is Actively at Work for the Policyholder on that date.

New Employees: The Individual Effective Date of Insurance for an eligible New Employee is [immediate as long as the New Employee:

- 1) requested coverage during the Initial Enrollment Period;
- 2) has completed the Waiting Period for New Employees; and
- 3) is Actively at Work on the Individual Effective Date of Insurance.]

[the date of the request if that date is the first day of a Coverage Month; otherwise it is the first day of the next Coverage Month as long as the New Employee:

- 1) requested coverage during the Initial Enrollment Period;
- 2) has completed the Waiting Period for New Employees; and
- 3) is Actively at Work on the Individual Effective Date of Insurance.]

[the first day of the Coverage Month following the Scheduled Enrollment Period as long as the New Employee:

- 1) requested coverage during the Scheduled Enrollment Period;
- 2) has completed the Waiting Period for New Employees; and
- 3) is Actively at Work on the Individual Effective Date of Insurance.]

[the Policyholder's Anniversary Date following the Scheduled Enrollment Period as long as the New Employee:

- 1) requested coverage during the Scheduled Enrollment Period;
- 2) has completed the Waiting Period for New Employees; and
- 3) is Actively at Work on the Individual Effective Date of Insurance.]

Initial or New Employee not Actively at Work during his Initial Enrollment Period: The date an Initial or New Employee returns to full-time Active Work will be his Individual Effective Date of Insurance, if he was enrolled during an Initial Enrollment Period, has completed the Waiting Period for Initial Employees, but was not Actively at Work on the date Personal Insurance would otherwise have become effective.

If enrolling after returning to Active Work, the Individual Effective Date of Insurance for an Initial or New Employee not Actively at Work is [immediately following the Waiting Period][the first day of the Coverage Month following the Initial Enrollment Period][the Policyholder's Anniversary Date following the Initial Enrollment Period][the First day of the Coverage Month following the Scheduled Enrollment Period].

**SECTION 3 - ELIGIBILITY, ENROLLMENT and
INDIVIDUAL EFFECTIVE DATE OF INSURANCE**

[Late Enrollee: The Individual Effective Date of Insurance for an eligible Late Enrollee is [immediately following the Waiting Period][the first day of the Coverage Month following the Initial Enrollment Period][the Policyholder's Anniversary Date following the Initial Enrollment Period][the First day of the Coverage Month following the Scheduled Enrollment Period] as long as the Late Enrollee:

- 1) requested coverage during the Scheduled Enrollment Period;
- 2) has completed the Waiting Period for New Employees; and
- 3) is Actively at Work on the Individual Effective Date of Insurance.]

[Late Enrollee: The Guaranteed Issue Amount for a Late Enrollee is stated in the Schedule of Benefits. AUL will determine the Individual Effective Date of Insurance for an eligible Late Enrollee following the date of the Late Enrollee request as long as the Late Enrollee:

- 1) requested coverage during the Scheduled Enrollment Period;
- 2) has completed the Waiting Period for New Employees; and
- 3) is Actively at Work on the Individual Effective Date of Insurance.]

COVERAGE IN EXCESS OF GUARANTEED ISSUE AMOUNT: The Individual Effective Date of Insurance as previously explained applies to any portion of the Maximum [Monthly][Weekly] Benefit that does not exceed the Guaranteed Issue Amount. However, any portion of the Maximum [Monthly][Weekly] Benefit that exceeds the Guaranteed Issue Amount will require Evidence of Insurability, satisfactory and without expense to AUL. If the excess portion is approved, the Effective Date of Insurance for that portion will be named by AUL. If the excess portion is not approved by AUL, the Maximum [Monthly][Weekly] Benefit will be an amount equal to the Guaranteed Issue Amount.

Evidence of Insurability: Documentation and records are required to be forwarded to AUL, at no cost to AUL, if the request for coverage is made:

- 1) after an Employee's Initial Period;
- 2) after a Person's requested termination date; or
- 3) for coverage in excess of the Guaranteed Issue Amount.

If satisfactory Evidence of Insurability is provided, and coverage is approved in writing by AUL, the Individual Effective Date of Insurance will be named by AUL.

SECTION 4 - CHANGES IN INSURANCE

[EFFECTIVE DATE OF CHANGE (Immediate & AIB)]

A change in coverage that does not increase the amount of coverage becomes effective on the date of AUL's approval of the change.

Prior to a change in coverage that increases coverage, the Person [(except a Person on an Employer-approved Leave of Absence other than for Sickness or Injury)] must be Actively at Work and the required amount of premium must be paid.

A change increasing the amount of coverage equal to or less than the AIB offer takes effect the date the Person requests the change in coverage.

A change in coverage increasing the amount of coverage exceeding the Person's AIB offer takes effect the date the Person becomes eligible for the change in coverage and is subject to:

- 1) satisfactory Evidence of Insurability, at no expense to AUL; and
- 2) AUL's written approval.

If the Person is not Actively at Work on the approved change date, any change in the amount of coverage takes effect on the date the Person returns to Active Work.]

[EFFECTIVE DATE OF CHANGE (First of the Coverage Month & AIB)]

A change in coverage that does not increase the amount of coverage becomes effective the earlier of:

- 1) the first day of the Coverage Month following AUL's approval of the change, if the date is the first day of the Coverage Month; or
- 2) the first day of the next Coverage Month following AUL's approval of the change, if the date is after the first day of the Coverage Month.

Prior to a change in coverage that increases the amount of coverage, the Person [(except a Person on an Employer-approved Leave of Absence other than for Sickness or Injury)] must be Actively at Work and the required amount of premium must be paid.

A change increasing the amount of coverage equal to or less than the AIB offer takes effect on:

- 1) the first day of the Coverage Month; if the Person requests the change on the first day of the Coverage Month; or
- 2) the first day of the next Coverage Month following the date the Person requests the change in coverage, if the date is after the first day of the Coverage Month.

A change in coverage increasing the amount of coverage above the Person's AIB offer is subject to:

- 1) satisfactory Evidence of Insurability, at no expense to AUL; and
- 2) AUL's written approval.

If the Person is not Actively at Work on the approved change date, any change in the amount of coverage takes effect on the date the Person returns to Active Work.]

[If the change is an increase in coverage, see Pre-Existing Condition Exclusions in Section 9.]

SECTION 4 - CHANGES IN INSURANCE

[EFFECTIVE DATE OF CHANGE (Policyholder's Anniversary Date & AIB)]

A change in coverage that does not increase the amount of coverage becomes effective on the Policyholder's Anniversary Date following AUL's approval of the change.

Prior to a change in coverage that increases the amount of coverage, the Person [(except a Person on an Employer-approved Leave of Absence other than for Sickness or Injury)] must be Actively at Work and the required amount of premium be paid.

A change in coverage increasing the amount of coverage not exceeding the Person's AIB offer takes effect on the Policyholder's Anniversary Date.

A change in coverage increasing the amount of coverage exceeding the Person's AIB offer is subject to:

- 1) satisfactory Evidence of Insurability, at no expense to AUL; and
- 2) AUL's written approval.

If the Person is not Actively at Work on the Policyholder's Anniversary Date that is the approved change date, any increase in the amount of coverage takes effect on the date the Person returns to Active Work.]

[If the change is an increase in coverage, see Pre-Existing Condition Exclusions in Section 9.]

SECTION 4 - CHANGES IN INSURANCE

[EFFECTIVE DATE OF CHANGE (Immediate & No AIB)

A change in coverage that does not increase the amount of a Person's coverage becomes effective on the date of AUL's approval of the change.

Prior to a change in coverage that increases the amount of coverage, the Person [(except a Person on an Employer-approved Leave of Absence other than for an Injury or Sickness)] must be Actively at Work and the required amount of premium must be paid.

A change increasing the amount of coverage is subject to:

- 1) satisfactory Evidence of Insurability, at no expense to AUL; and
- 2) AUL's written approval.

If a Person is not Actively at Work on the approved change date, any increase in the amount of coverage takes effect on the date the Person returns to Active Work.]

[EFFECTIVE DATE OF CHANGE (First of the Coverage Month & No AIB)

A change in coverage that does not increase the amount of coverage becomes effective on:

- 1) the first day of the Coverage Month following AUL's approval of the change, if the date is the first day of the Coverage Month; or
- 2) the first day of the next Coverage Month following AUL's approval of the change, if the date is after the first day of the Coverage Month.

Prior to a change in coverage that increases the amount of coverage, the Person [(except a Person on an Employer-approved Leave of Absence other than for Sickness or Injury)] must be Actively at Work and the required amount of premium must be paid.

A change increasing the amount of coverage is subject to:

- 1) satisfactory Evidence of Insurability, at no expense to AUL; and
- 2) AUL's written approval.

If the Person is not Actively at Work on the approved change date, any change in the amount of coverage takes effect on the date the Person returns to Active Work.]

[If the change is an increase in coverage, see Pre-Existing Condition Exclusions in Section 9.]

SECTION 4 - CHANGES IN INSURANCE

[EFFECTIVE DATE CHANGE (Policyholder's Anniversary Date & No AIB)]

A change in coverage that does not increase the amount of coverage becomes effective on the Policyholder's Anniversary Date following AUL's approval of the change.

Prior to a change in coverage that increases the amount of coverage, the Person [(except a Person on an Employer-approved Leave of Absence other than for Sickness or Injury)] must be Actively at Work and the required amount of premium must be paid.

If the Person is not Actively at Work on the approved change date, any change in the amount of coverage takes effect on the date the Person returns to Active Work.]

[If the change is an increase in coverage, see Pre-Existing Condition Exclusions in Section 9.]

SECTION 4 - CHANGES IN INSURANCE

[CHANGING OPTION: After the Initial Enrollment Period, a Person may increase his coverage to another Option available to his class during a Scheduled Enrollment Period as agreed to by the Policyholder and approved by AUL. The request for a change in Option and agreement to pay the required premium must be made via a method approved by AUL, subject to the following:

- 1) an increase in coverage to the next higher Option available to a Person's class will [not] require Evidence of Insurability;
- 2) requests to increase coverage to an Option other than the next higher Option will [not] be allowed[with satisfactory Evidence of Insurability]; and
- 3) if a Person fails to apply for an increase in coverage in a manner agreed to by the Policyholder and approved by AUL, he will continue to be covered under his current Option until the next Scheduled Enrollment Period.

If the Person is not Actively at Work on the Effective Date of Change, the Person becomes eligible for the change on the first day that the Person returns to Active Work.]

[The provision entitled Pre-Existing Condition Exclusion For A Change In Option, shown in Section 9 - Exclusions, will apply to a change in Option resulting in an increase in coverage.]

DECREASING THE [MONTHLY][WEEKLY] BENEFIT AMOUNT: A Person may decrease the amount of his coverage at any time. Any decrease in coverage will become effective [immediately][the first day of the Coverage Month][on the Policyholder's next Anniversary Date] following the date of the request.

Any change in insurance, other than a decrease in the amount of coverage or an increase in coverage to the next higher Option as stated above, will require satisfactory Evidence of Insurability.

[If the change is an increase in coverage, see Pre-Existing Condition Exclusions in Section 9.]

SECTION 4 - CHANGES IN INSURANCE

[ANNUAL INCREASE IN BENEFIT (AIB)]

The Person may apply annually for the AIB, which is an additional amount of coverage, during an AUL approved enrollment period without satisfactory Evidence of Insurability, if all the following conditions are met:

- 1) the Person must be Actively at Work on the effective date of the increase;
- 2) the amount of each increase will be limited to the AIB Amount stated in the Schedule of Benefits;
- 3) the amount of coverage after the increase is not greater than the [Monthly][Weekly] Benefit amount stated in the Schedule of Benefits; and
- 4) the Person has not previously been declined for the AIB.

If coverage is declined following unsatisfactory Evidence of Insurability, no AIB will be available until satisfactory Evidence of Insurability and information is received. Approval will be based on Evidence of Insurability and information satisfactory to AUL. If the AIB request is approved, coverage will begin on the date identified and approved in writing by AUL.]

[Automatic AIB provision for list billed groups only.]

A Person may elect to automatically receive the AIB by:

- 1) applying for the automatic opt in option via an enrollment method approved by AUL during the Initial Enrollment Period; or
- 2) submitting a request via a method approved by AUL indicating the Person's desire to automatically receive the AIB.

If a Person, after electing the automatic AIB, elects at a later date to decline to automatically receive the AIB, he must submit notification of declination via a method approved by AUL to AUL 30 days before the AIB would have taken effect.]

[For an increase in coverage resulting from an AIB, the provision entitled Pre-Existing Condition Exclusion For an Increased [Monthly] [Weekly] Benefit on Annual Increase in Benefit, shown in Section 9 - EXCLUSIONS, will apply.]

SECTION 4 - CHANGES IN INSURANCE

[COVERAGE AMOUNTS REQUESTED IN EXCESS OF THE ANNUAL INCREASE IN BENEFIT

During an AUL approved enrollment period, a Person may apply to increase an amount greater than the AIB, however, receipt of any amount above the AIB will first require approval based on Evidence of Insurability and information satisfactory to AUL. If coverage is approved, coverage will begin on the date identified and approved in writing by AUL.

If coverage for an Employee is declined following unsatisfactory Evidence of Insurability, no AIB will be available until Evidence of Insurability and information satisfactory to AUL is received. Until the AIB is approved, only the amount of coverage previously approved by AUL will be available.]

SECTION 4 - CHANGES IN INSURANCE

[FAMILY STATUS CHANGE]

[A Person may request an additional amount of coverage] [or] [a Late Enrollee may request coverage], without Evidence of Insurability, up to the Guaranteed Issue Amount as stated in the Schedule of Benefits if all the following conditions are met:

- 1) The [Person] [or] [Late Enrollee] experienced one of the following changes in family status:
 - a) legal marriage;
 - b) domestic partnership or civil union, as defined under applicable laws in the state of residence of the Person;
 - c) divorce or dissolution of a domestic partnership or civil union;
 - d) birth of a child;
 - e) adoption of a child or stepchild; or
 - f) permanent legal custody or guardianship of a child lasting more than [90] days;
- 2) AUL was notified within 31 days of the change in family status;
- 3) the [Person] [or] [Late Enrollee] was Actively at Work on the effective date of the change;
- 4) the amount of coverage after the increase is not greater than the [Monthly][Weekly] Benefit amount stated in the Schedule of Benefits; and
- 5) the [Person] [or] [Late Enrollee] has not previously been declined.

This change will become effective [immediately][the first day of the Coverage Month][on the Policyholder's next Anniversary Date] following the date of the request.

[If coverage for a [Person] [or] [Late Enrollee] was previously declined due to unsatisfactory Evidence of Insurability, no Family Status Change will be approved until Evidence of Insurability satisfactory to AUL is received. If the [Person's] [or] [Late Enrollee's] Family Status Change request is approved, coverage will begin on the date identified in writing by AUL.]]

SECTION 5 - TERMINATIONS

INDIVIDUAL TERMINATIONS: A Person will cease to be insured on the EARLIEST of the following dates:

- 1) the date the policy terminates;
- 2) the [end of the Coverage Month following the] date the Person is no longer in an eligible class;
- 3) the date the Person's class, as stated on the Schedule of Benefits, is no longer insured under the policy;
- 4) the last day of the period for which premiums were paid, if the premium is not paid when due;
- 5) the date the Person requests termination, but not prior to the date of the request;
- 6) the [end of the Coverage Month following the] date employment terminates. However, insurance will be continued for a Person:
 - a) during the Elimination Period, if the Person is Disabled, as described in the policy;
 - b) during any period that [premiums are being waived under the Waiver of Premium provision][[Monthly][Weekly] Benefits are paid;][and][
 - c) during any temporary [Leave of Absence] [or] [sabbatical] according to the appropriate Continuation of Personal Insurance benefit if premiums continue to be paid during the [Leave of Absence] [or] [sabbatical], and the benefit was elected by the Policyholder, shown on the Schedule of Benefits and approved by AUL[;][and]][
 - d) to the end of [the Coverage Month][a [30][60][90][120][150][180][365]-day period] following the month that a Person is temporarily laid off as long as premiums continue to be paid, if coverage during a temporary layoff was elected by the Policyholder, shown on the Schedule of Benefits and approved by AUL[; and]][
- 7) the [end of the Coverage Month following the] date the Person ceases Active Work. However, insurance will be continued for a Person:
 - a) during the Elimination Period, if the Person is Disabled, as described in the policy;
 - b) during any period that [premiums are being waived under the Waiver of Premium provision][[Monthly][Weekly] Benefits are paid;][and][
 - c) during any temporary [Leave of Absence] [or] [sabbatical] according to the appropriate Continuation of Personal Insurance benefit if premiums continue to be paid during the [Leave of Absence] [or] [sabbatical], and the benefit was elected by the Policyholder, shown on the Schedule of Benefits and approved by AUL[;][and]][
 - d) to the end of [the Coverage Month][a [30][60][90][120][150][180][365]-day period] following the month that a Person is temporarily laid off as long as premiums continue to be paid, if coverage during a temporary layoff was elected by the Policyholder, shown on the Schedule of Benefits and approved by AUL[; and]][
- 8) the date the Person enters active military service for any country, except for temporary duty of 30 days or less].

SECTION 5 - TERMINATIONS

TERMINATION OF THE POLICY: Insurance coverage under the policy will cease on the EARLIEST of the following dates:

- 1) the date the Policyholder no longer meets the definition of a Policyholder;
- 2) the date the Policyholder ceases active business operations or is placed in bankruptcy or receivership;
- 3) the date the Policyholder loses its entity by means of dissolution, merger, or otherwise;
- 4) the date ending the Policy Month for which the last premium payment is made for the Policyholder's insurance;
- 5) at the end of a Policy Month, provided AUL has given at least [31] days prior written notice to the Policyholder;
- 6) at the end of the Policy Month, if the Policyholder has given AUL at least [31] days prior written notice;
- 7) the date, as determined by AUL, that the Policyholder fails to promptly furnish any information which AUL may reasonably require; or
- 8) the date the Policyholder, without good and sufficient cause, fails to perform in good faith its duties pertaining to the policy.

If a Person's insurance is terminated due to the termination of the policy, the Person's rights under the policy are terminated on the date that the policy terminated.

Termination of the policy under any conditions will be without prejudice to any claim incurred prior to termination.

If the policy terminates, the Policyholder will be liable to AUL for all unpaid premiums for the period during which the coverage was in force.

SECTION 5 - TERMINATIONS

EXTENDED BENEFIT: If the Person is Disabled on the date insurance terminates, AUL will pay benefits for Disability:

- 1) after the Elimination Period has been met, if the Person is not already receiving a [Monthly] [Weekly] Benefit;
- 2) during the uninterrupted continuance of the same period of Disability; and
- 3) subject to the provisions and benefits of the policy.

Benefits will be extended to the EARLIEST of the following:[

- 1) the date Current [Monthly] [Weekly] Income equals or exceeds [60%-100%] of the Indexed Pre-Disability Earnings;]
- 2) the date that the Person ceases to be Disabled;
- 3) the date the Person dies;
- 4) the date the Maximum Benefit Duration, shown on the Schedule of Benefits, is completed;
- 5) the date the Person fails to give AUL required proof of Disability or information required by AUL to determine if any benefits are owed under the policy;
- 6) the date the Person refuses to allow an examination requested by AUL;
- 7) the date the Person is no longer under the Regular Attendance and care of a Physician;[or]
- 8) the date the Person refuses to provide information to AUL to verify the Person's Current [Monthly] [Weekly] Income[; or
- 9) the date the Person leaves the United States or Canada and establishes his residence in any other country. A Person will be considered to reside outside these countries when the Person has been outside the United States or Canada for a total period of [3-24 months][12-104 weeks] or more during any [3-24 consecutive months][12-104 consecutive weeks] of benefits].

SECTION 5A - INDIVIDUAL REINSTATEMENT

[INDIVIDUAL REINSTATEMENT: If Personal Insurance terminates under the policy due to cessation of Active Work for the Policyholder, it may be reinstated subject to the terms of this provision. Individual Reinstatement must be requested during the [31-day] period immediately following return to Active Work for the Policyholder in accordance with the terms stated in this provision. Individual Reinstatement will be for the same coverage amount and eligible class that the Employee belonged to immediately prior to his termination. AUL may require Evidence of Insurability if reinstatement is requested for an amount or eligible class that differs from the coverage the Employee had with the Policyholder immediately prior to his cessation of Active Work. Reinstatement is subject to payment of required premiums and that the Policyholder is insured by AUL under the policy. In addition to the above requirements, the following also applies, as applicable:

- 1) If an Employee returns to Active Work within the period of consecutive calendar days as stated in the Schedule of Benefits under Individual Reinstatement from his individual termination date and requests Individual Reinstatement:
 - a) Personal Insurance will become effective [immediately upon the date of request for Individual Reinstatement] [the first day of the Coverage Month immediately following the date of request for Individual Reinstatement.]
 - b) Evidence of Insurability will not be required for Individual Reinstatement to the same coverage amount and eligible class held by the Employee under the policy immediately prior to cessation of Active Work.
 - c) *[If the Schedule of Benefits states that the Employee must return to Active Work within [30, 60, 90, 120, 150, 180, 360, 365] days of termination:* Credit will be given towards satisfaction of the eligibility Waiting Period and of the Pre-Existing Condition exclusion or limitation period he previously served under the policy. However, any days accumulated during his period of lapse in coverage will not be credited. The original Individual Effective Date of Insurance will be used when applying the eligibility Waiting Period and the Pre-Existing Condition exclusion or limitation period.]
 - d) *[If the Schedule of Benefits states that the Employee can return to Active Work for a period greater than [30, 60, 90, 120, 150, 180, 360, 365] days from the Employee's date of termination:* Credit will be given towards satisfaction of the eligibility Waiting Period he previously served under the policy. However, any days accumulated during his period of lapse in coverage will not be credited. The Employee will be considered a New Employee and subject to the terms of the policy, except as stated herein.]
- 2) If an Employee returns to Active Work after more than the number of consecutive calendar days, shown in 1) above, after his Individual Termination date and requests Individual Reinstatement:
 - a) The Employee will be considered a New Employee and subject to the terms of the policy.
 - b) Eligibility for Personal Insurance, enrollment and his Individual Effective Date of Insurance will be determined as stated in the policy.
 - c) The Waiting Period and Pre-Existing Condition exclusion or limitation period will start anew. The Individual Reinstatement date will be used when applying the Pre-Existing Condition exclusion or limitation period.]
- 3) If the Employee is insured under the policy's Portability Privilege and returns to Active Work with the Policyholder and requests Individual Reinstatement to the policy.
 - a) Personal Insurance will become effective [immediately upon the date of request for Individual Reinstatement] [the first day of the Coverage Month immediately following the date of request for Individual Reinstatement].
 - b) Evidence of Insurability will not be required for Individual Reinstatement to the same coverage amount and eligible class held by the Employee under the policy immediately prior to cessation of Active Work.
 - c) Credit will be given towards satisfaction of the Pre-Existing Condition exclusion or limitation period already served under the policy and the Portability Privilege. The Employee's original Individual Effective Date of Insurance will be used when applying the Pre-Existing Condition exclusion or limitation period.
 - d) Coverage under the Portability Privilege must terminate immediately prior to the date of Individual Reinstatement under the policy.]]

SECTION 5A - INDIVIDUAL REINSTATEMENT

- [
- 4) If Personal Insurance terminates because of a leave approved by the Policyholder under the Federal Family and Medical Leave Act (FMLA), or similar applicable state law, and the Employee returns to full-time Active Work immediately following the end of the leave:
 - a) Personal Insurance will become effective immediately upon the date of request for Individual Reinstatement.
 - b) Credit will be given towards satisfaction of the Pre-Existing Condition exclusion or limitation period previously served under the policy. However, the days accumulated during the period of lapse in coverage will not be credited. The original Individual Effective Date of Insurance will be used when applying the Pre-Existing Condition exclusion or limitation period.
 - c) Evidence of Insurability will not be required for Individual Reinstatement to the same coverage amount and eligible class that the Employee would have been entitled to prior to the FMLA leave.
 - 5) [If Personal Insurance terminates because an Employee became a full-time member of the armed forces of the United States and he returns to full-time Active Work, the Person's coverage may be reinstated in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and applicable state law.]]

**SECTION 5B - CONTINUATION OF PERSONAL INSURANCE
UNDER THE FAMILY AND MEDICAL LEAVE ACT**

[CONTINUATION OF PERSONAL INSURANCE UNDER THE FAMILY AND MEDICAL LEAVE ACT. If the Policyholder correctly approves a leave of absence under the Federal Family and Medical Leave Act (FMLA), a Person's coverage under the policy will be continued as stated in this Section. Personal Insurance will continue while a Person's leave is covered under FMLA, until the end of the later of:

- 1) the leave period permitted under FMLA or
- 2) the leave period permitted by applicable state law.

Coverage continued under this Section is subject to the following requirements:

- 1) the Policyholder has approved a Person's leave in writing as a leave taken under FMLA;
- 2) applicable premiums must continue to be paid to AUL in accordance with the policy (see Section 6 - PREMIUM PAYMENT); and
- 3) Basic [Monthly][Weekly] Earnings will be the amount as last reported to AUL in writing and in effect prior to the date the Person's family or medical leave began.

Continuation of Personal Insurance under this provision will cease on the earliest of the following:

- 1) the date a Person dies;
- 2) the date a Person's coverage terminates for nonpayment of premiums;
- 3) the date a Person begins full or part-time employment with another employer;
- 4) the date the policy terminates;
- 5) the date a Person notifies the Policyholder that he will not be returning to Active Work;
- 6) the date a Person's class is no longer offered under the policy;
- 7) the date a Person no longer qualifies for a Leave of Absence or participation in an eligible class, as stated in the Schedule of Benefits; [or]
- 8) the date a Person requests termination of coverage under the policy, but not prior to the date of request[; or
- 9) the date a Person enters active military service for any country, except for temporary duty of 30 days or less].

All terms and conditions of the policy will apply during the approved continuation period provided under this Section, unless otherwise stated. While Personal Insurance is being continued under this Section, the Person will be considered exempt from the requirements listed below:

- 1) the Actively at Work definition; and
- 2) the applicable number of hours needed to meet the requirement for Full-Time Employee, as stated in the Schedule of Benefits.

If the Policyholder has approved more than one type of Leave of Absence for the Person during any one period, AUL will consider such leaves to be concurrent for the purpose of determining how long the Person's coverage may continue under the policy.]

**SECTION 5C - CONTINUATION OF PERSONAL INSURANCE
DURING A [LEAVE OF ABSENCE],[,][AND][SABBATICAL],[,][AND][TEMPORARY LAYOFF]**

[LEAVE OF ABSENCE references in this Section means the Person is absent from Active Work for a temporary period of time that has been agreed to in advance and in writing by the Policyholder[.] [and includes [temporary layoffs] [and] [sabbaticals] unless otherwise stated.]

[CONTINUATION OF PERSONAL INSURANCE DURING A SABBATICAL. If the Policyholder approves a sabbatical, a Person's coverage under the policy will be continued [through the end of the Policyholder's current school contract year in which the Person's sabbatical began] [to the end of the [30][60][90][120][150][180][365]-day period from the date the Person's sabbatical began], as long as premiums continue to be paid to and received by AUL, subject to same requirement as a Leave Of Absence.]

[CONTINUATION OF PERSONAL INSURANCE WHILE TEMPORARILY LAID OFF. If the Policyholder approves a temporary layoff, a Person's coverage under the policy will be continued [to the end of the Coverage Month following the month in which the layoff begins] [to the end of the [30][60][90][120][150][180][365]-day period from the date the Person's layoff began], as long as premiums continue to be paid to and received by AUL, subject to same requirement as a Leave Of Absence.]

[CONTINUATION OF PERSONAL INSURANCE UNDER A LEAVE OF ABSENCE: If the Policyholder approves a Leave of Absence, a Person's coverage under the policy will be continued [to the end of the Coverage Month following the month that a Person begins a Leave of Absence,][to the end of the [30][60][90][120][150][180][365]-day period from the date the Person begins a Leave of Absence] as long as premiums continue to be paid to and received by AUL, subject to the following requirements:

- 1) the Policyholder has approved a Person's Leave of Absence in writing;
- 2) applicable premiums must continue to be paid to AUL in accordance with the policy (see Section 6 – PREMIUM PAYMENT); and
- 3) Basic [Monthly][Weekly] Earnings will be the amount last reported to AUL in writing and in effect prior to the date the Person's Leave of Absence began.

Continuation of Personal Insurance under this provision will cease on the EARLIEST of the following:

- 1) the date a Person dies;
- 2) the date a Person's coverage terminates for nonpayment of premiums;
- 3) the date a Person begins full or part-time employment with another employer;
- 4) the date the policy terminates;
- 5) the date a Person notifies the Policyholder that he will not be returning to Active Work;
- 6) the date a Person's class is no longer offered under the policy;
- 7) the date a Person no longer qualifies for a Leave of Absence or participation in an eligible class, as stated in the Schedule of Benefits; [or]
- 8) the date a Person requests termination of coverage under the policy, but not prior to the date of request[; or
- 9) the date a Person enters active military service for any country, except for temporary duty of 30 days or less].]

SECTION 5C - CONTINUATION OF PERSONAL INSURANCE
DURING A [LEAVE OF ABSENCE][,][AND][SABBATICAL][,][AND][TEMPORARY LAYOFF]

[All terms and conditions of the policy will apply during the approved continuation period provided under this Section, unless otherwise stated. While Personal Insurance is being continued under this Section, the Person will be considered exempt from the requirements listed below:

- 1) the Actively at Work definition; and
- 2) the applicable number of hours needed to meet the requirement for Full-Time Employee, as stated in the Application.

If the Policyholder has approved more than one type of Leave of Absence for the Person during any one period, AUL will consider such leaves to be concurrent for the purpose of determining how long the Person's coverage may continue under the policy.]

**SECTION 5D - CONTINUATION OF PERSONAL INSURANCE
DURING A LEAVE OF ABSENCE FOR ACTIVE MILITARY SERVICE**

[LEAVE OF ABSENCE means the Person is absent from Active Work for a temporary period of time that has been agreed to in advance in writing by the Policyholder.

CONTINUATION OF PERSONAL INSURANCE DURING A LEAVE OF ABSENCE FOR ACTIVE MILITARY SERVICE: If the Person is on a Leave of Absence for Active Military Service as described under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and applicable state law, the Person's coverage may be continued until the LATER of:

- 1) the length of time the coverage may be continued under the policy for an FMLA leave of absence; or
- 2) the length of time the coverage may be continued under the policy for a Leave of Absence other than an FMLA leave of absence.

Coverage continued under this Section is subject to the following requirements:

- 1) applicable premiums must continue to be paid to AUL in accordance with the policy (see Section 6 - Premium Payment); and
- 2) Basic [Monthly][Weekly] Earnings will be the amount last reported to AUL in writing and in effect prior to the date the Person's Leave of Absence for active military service began.

Continuation of Personal Insurance under this provision will cease on the earliest of the following:

- 1) the date a Person dies;
- 2) the date a Person's coverage terminates for nonpayment of premiums;
- 3) the date a Person begins full or part-time employment with another employer;
- 4) the date the policy terminates;
- 5) the date a Person notifies the Policyholder that he will not be returning to Active Work;
- 6) the date a Person's class is no longer offered under the policy;
- 7) the date a Person no longer qualifies for a Leave of Absence or participation in an eligible class, as stated in the Schedule of Benefits; or
- 8) the date a Person requests termination of coverage under the policy, but not prior to the date of request.

All terms and conditions of the policy will apply during the approved continuation period provided under this Section, unless otherwise stated. While Personal Insurance is being continued under this Section, the Person will be considered exempt from the requirements listed below:

- 1) the Actively at Work definition; and
- 2) the applicable number of hours needed to meet the requirement for Full-Time Employee, as stated in the Schedule of Benefits.

If the Policyholder has approved more than one type of Leave of Absence for the Person during any one period, AUL will consider such leaves to be concurrent for the purpose of determining how long the Person's coverage may continue under the policy.]

SECTION 6 - PREMIUM PAYMENT

PREMIUM PAYMENTS: As provided in the Application, the Policyholder is responsible for properly and accurately paying premiums to AUL on or before the Due Date. All premiums will be calculated and paid in U.S. dollars. At the request of the Policyholder and AUL's written approval, the interval of premium payments may be changed.

Overpayment of premium will not result in increases in any coverage amounts or additional benefits for the Policyholder or Person. If a Person has Contributory Insurance, premiums paid by the Person may be paid by means of payroll deduction administered by the Policyholder.

Premiums for a Person's coverage under the policy shall be owed beginning on the Person's Individual Effective Date of Insurance. Premiums will cease to be owed on the Person's individual termination date. However, premiums will continue to be owed for a Disabled Person who ceases work. [Premiums will continue to be owed until the date they are waived according to the Waiver of Premium provision.]

Monthly premiums for each Person will change automatically following attainment of each new age bracket. Each premium payment will include adjustments in past premiums for changes that have not previously been taken into account. Payment of any premium does not maintain the insurance in force beyond the end of the period for which it has been paid. Each premium payment is owed to AUL on or before its Due Date.

PREMIUM RATES: AUL reserves the right to change premium rates on any date:

- 1) after the Policyholder's coverage has been in effect for one year, by giving prior written notice to the Policyholder at least [31 days] before the effective date of the change;
- 2) the eligibility or benefit provisions are changed;
- 3) the number of Persons insured through the Policyholder changes by [10-25%] or more;
- 4) a division, unit, subsidiary or affiliate is added to, or deleted from, the Policyholder's coverage under the policy;
- 5) if the age or any other fact that affects the benefits for a Person or Policyholder has been misstated; or
- 6) there is a change in existing laws which affects the coverage offered under the policy.

[**WAIVER OF PREMIUM:** Premium payments will be waived for a Disabled Person beginning with the [first, 31st, 46th, 61st, 76th, 91st, 101st, 121st, 366th] day of Disability. Premiums will continue to be waived during any period that benefits are paid to a Person insured by the policy or any AUL Group Long Term or Short Term Disability Income policy if those policies were made available to the Person through employment with the Policyholder. [Premiums for coverage under the policy will be waived as described in this provision, provided the Disability claim is approved by AUL.] [If a Disabled Person returns to work before the end of his Elimination Period or his Benefit Eligibility Period, his premium payments will resume, but he will not be required to repay the waived premiums.]]

[**WAIVER OF PREMIUM:** Premium payments will be waived during any period for which the [Monthly][Weekly] Benefit is paid to a Disabled Person.]

SECTION 7 - GENERAL POLICY PROVISIONS

AGENCY: For all purposes of the policy, the Policyholder acts on behalf of itself or as agent for the Person. Under no circumstances will the Policyholder be deemed the agent of AUL.

AMENDMENT AND CHANGES: The policy may be amended in writing by mutual agreement between the Policyholder and AUL, but without prejudice to any loss incurred prior to the effective date of the amendment. No change in the policy is valid until approved by the Chief Executive Officer, President or Secretary of AUL. No agent has the authority to approve coverage, change the policy or waive any of its provisions.

ASSIGNMENT: No assignment of any present or future right or benefit under the policy will bind AUL without its prior written consent and when permitted under applicable laws.

CERTIFICATES: AUL will issue a certificate for delivery by the Policyholder to the insured Persons. The certificate will summarize the Person's coverage under the policy and will state:

- 1) the benefits provided; and
- 2) to whom the benefits are payable.

If there is any discrepancy between the provisions of any marketing materials, plan documents, certificate, and the provisions of the policy, the provisions of the policy will govern.

CLERICAL ERROR: If a clerical error is made in keeping records on the coverage under the policy, it will not affect otherwise valid insurance. A clerical error does not continue insurance which is otherwise terminated, make insurance effective when it should not have been or change the amount of insurance provided by the provisions of the policy.

CONFORMITY WITH STATE LAWS: Any provision of the policy in conflict with the laws of the state in which it is delivered, is amended to conform to the minimum requirements of those laws.

DATA AND RECORDS: The Policyholder must promptly furnish all information/documentation that AUL reasonably requires. The Policyholder must furnish all relevant information to AUL about Persons:

- 1) who qualify to become insured or are eligible for benefits; and/or
- 2) whose amounts of insurance change; and/or
- 3) whose insurance terminates.

At any reasonable time, AUL or its representatives shall have the right to inspect the records of the Policyholder that, in the opinion of AUL, may have a bearing on the insurance coverage provided under the policy.

SECTION 7 - GENERAL POLICY PROVISIONS

ENTIRE CONTRACT: The policy, the application/enrollment forms of the Persons, the Application of the Policyholder, and any amendments made from time to time constitute the entire contract.

GRACE PERIOD: If the Policyholder or AUL does not give notice in writing that coverage under the policy is to be terminated due to unpaid premium, a Grace Period of [31 days] will be granted for the payment of any premium owed after the first premium Due Date. During the Grace Period, the policy will continue in force but will automatically terminate on the last day of the Grace Period. The Policyholder is liable to AUL for payment of premiums for the days of grace during which the policy remains in force. AUL is not obligated to pay claims incurred during the Grace Period until the premium owed is received.

INSURANCE FRAUD: AUL wants to ensure that its customers do not incur additional insurance costs as a result of the act of insurance fraud. Applicable state laws require AUL to undertake measures to detect, investigate and pursue prosecution for fraud.

[Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.]

MISSTATEMENT OF FACTS: If the age or any other fact that affects the benefits for a Person or Policyholder has been misstated, the benefits will be payable based on the true facts. Premium adjustment will be made so that AUL will receive the actual premium required based on the true facts.

SECTION 7 – GENERAL POLICY PROVISIONS

[REHABILITATION: The goal of a rehabilitation program is to enable the Person to return to work. The Person may choose to join a vocational rehabilitative program while receiving Disability benefits, if prior approval is given in writing by AUL. If the program is approved in advance by AUL, such participation will not alone be deemed recovery from Disability. By mutual written agreement, AUL may help pay the Person's expenses for taking part in the rehabilitation program. Rehabilitation is strictly voluntary and there is no penalty for refusal.]

RELATIONSHIP: AUL and the Policyholder are, and will remain, independent contractors. Nothing in the policy or the Application shall be construed as making the parties joint venturers or as creating a relationship of employer and employee, master and servant or principal and agent. Neither party has any power, right or authority to bind the other or to assume or create any obligation or responsibility on behalf of the other. AUL and the Policyholders each retain exclusive control of their time and methods to perform their respective duties. AUL and the Policyholder will employ, pay and supervise their own employees and pay their own expenses. The Policyholder is required to familiarize itself with all relevant state and federal laws including applicable banking, MEWA, plan sponsor, plan administrator, and fiduciary laws. Any violation of federal or state law will require Policyholder to reimburse AUL for any and all damages or fines imposed on AUL as well as AUL's reasonable attorney's fees incurred due to Policyholder's violations and/or any violations incurred by any representative of Policyholder, in which AUL is made party thereof.

STATEMENTS MADE IN AN APPLICATION: All statements in an application or Group Statement of Insurability made by the Policyholder or insured Persons shall be deemed representations and not warranties. No such statements will be used to reduce or deny any claim or to cancel the Person's coverage unless:

- 1) the statement is in writing; and
- 2) a copy of that statement is given to the Person or to his personal representative.

INCONTESTABILITY: The validity of any coverage under the policy may not be contested, except in the case of fraud or for nonpayment of premiums, after the Personal Insurance has been in force for two years from the Person's Individual Effective Date of Insurance. Additionally, if the validity of any coverage under the policy is contested due to a misrepresentation of a material fact during the first two years after the Person's Individual Effective Date of Insurance, no statement made by a Policyholder or a Person relating to his insurability may be used in contesting the validity of the insurance unless the statement is contained in a written instrument signed by the Person.

All statements made by a Policyholder or a Person are to be deemed representations and not warranties, and that other than a misrepresentation of a material fact no statement made by any Person may be used in any contest unless a copy of the instrument containing the statement is or has been furnished to the Person or, in the event of death or incapacity of the Person, to the Person's personal representative.

Notwithstanding the foregoing, AUL is not precluded from asserting at any time any defenses based upon provisions in the policy relating to eligibility for coverage.

WORKERS' COMPENSATION AND WORKMEN'S COMPENSATION NOT AFFECTED: The policy is not in lieu of, and does not affect any requirement for coverage by Workers' or Workmen's Compensation Insurance.

SECTION 7A - CLAIM PROCEDURES

INITIAL NOTICE OF DISABILITY: Written notice of Disability must be given to AUL during the Elimination Period. If written notice cannot be made during the Elimination Period without the fault of the claimant, AUL must be notified as soon as it is reasonably possible to do so. Written notice should contain sufficient information to identify the Person. Notices are not considered given until received by AUL at its Home Office in Indianapolis, Indiana, by one of its Claims offices, or by its third party administrator.

CLAIM FORMS FOR PROOF OF LOSS: Upon receipt of the Initial Notice of Disability, AUL will furnish the Policyholder with any necessary claim forms to be given to the Person. These forms must be properly, accurately and truthfully completed and returned to AUL or its third party administrator. If, for any reason, the Person does not receive a claim form within [15] days of request, the Person should submit written proof of Disability. The initial claim form or proof of Disability must show:

- 1) the claimant's name;
- 2) the Employer's name and address;
- 3) the policy number;
- 4) the date Disability started;
- 5) the cause of Disability;
- 6) the nature and extent of the Disability
- 7) that the claimant is under the appropriate care of a doctor;
- 8) the appropriate documentation of the claimant's earnings and activities; and
- 9) the name and address of any hospital, health provider, health facility or institution where the claimant has received treatment, including the names of all attending and treating doctors.

The initial claim form or proof of Disability must be signed by a Physician and sent to AUL within [90] calendar days of the end of the Elimination Period. If it is not possible to give proof within these limits, it must be given as soon as reasonably possible. Proof of claim may not be given later than one year after the time proof is otherwise required[, except in the absence of legal capacity].

AUL will also periodically send the Person additional claim forms or requests for information necessary to determine eligibility for benefits under the policy. These subsequent completed claim forms and requests for information must be returned to AUL within [30] days after the Person receives them. If requested forms and/or information are not received from the Person, AUL reserves the right to deny continued benefits for failure to provide proof of continuous disability as required by the policy.

PHYSICAL EXAMINATION: AUL, at its own expense, has the right to have a Person examined, hospitalized and/or tested to determine the existence of any Disability that is the basis for a claim. This right may be exercised as often as is reasonably necessary, as determined by AUL, and must be performed by a Physician of AUL's choice. If the Person fails to comply with AUL's requests for Physical Examination, AUL reserves the right to deny benefits.

SECTION 7A - CLAIM PROCEDURES

LEGAL ACTION: No legal action may be brought to obtain benefits or a refund of premium paid under the policy:

- 1) for at least [60 days] after proof of loss or entitlement to a premium refund has been furnished; [or]
- 2) [before any denial or reduction of benefits by AUL has been appealed properly in writing; or]
- 3) beyond the expiration of the applicable statute of limitations from the time proof of loss or entitlement to a premium refund is required to be given. If no statute of limitations is given, then after [3 years] following the expiration of the time within which proof of loss or entitlement to a premium refund is required by the Policyholder.

TIME OF PAYMENT OF CLAIMS: When AUL receives a claim form or proof of Disability, benefits payable under the policy will be paid [monthly] [weekly] during any period for which AUL is liable.

PAYMENT OF CLAIMS: All benefits, other than any survivor benefits, are payable to a Person. If a Person dies before a benefit to which he was entitled is paid, AUL has the right to pay up to [\$1,000 - \$10,000] to any of the Person's relatives to whom AUL considers entitled to such benefits. If AUL pays benefits in good faith to a person who it considers entitled to such benefits, then AUL will have no obligation to pay such benefits again. The [Monthly] [Weekly] Benefit will be calculated and paid in United States dollars, and when necessary, it will be based on the exchange rate effective on the first day of the Elimination Period.

SECTION 7A - CLAIM PROCEDURES

[RIGHT TO APPEAL: When the policy is governed by ERISA, if a Person wishes to appeal the decision made by AUL or its third party administrator, claimants are allowed 180 days following receipt of a notification of an adverse benefit determination within which to appeal the determination. Claimants are allowed the opportunity to submit written comments, documents, records and other information relating to the claim for benefits. The claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim for benefits. Whether a document, record or other information is relevant to a claim for benefits shall be determined by reference to paragraph (m)(8) of 29 C.F.R. § 2560.503-1. AUL's review will take into account all written comments, documents, records and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination. A claimant has a right to obtain the information about any voluntary appeal procedures offered by the plan described in paragraph (c)(3)(iv) of 29 C.F.R. § 2560.503-1 and has a right to bring an action under section 502(a) of ERISA. A final determination will be provided pursuant to 29 C.F.R. § 2560.503-1.

If you are dissatisfied with the resolution reached through AUL's internal grievance system regarding medical necessity, you may contact the Director, Office of the Health Care Ombudsman and Bill of Rights at the following:

[For Medical Necessity cases, District of Columbia Department of Health Care Finance
Office of the Health Care Ombudsman and Bill of Rights
899 North Capital Street, N.E.
6th Floor
Washington, D.C. 20002
1 (877) 685-6391
Fax: (202) 478-1397]

If you are dissatisfied with the resolution reached through AUL's internal grievance system regarding all other grievances, you may contact the Commissioner at the following:

[For Non-Medical Necessity cases, Commissioner, Department of Insurance
Department of Insurance, Securities and Banking
810 First St. N.E., 7th Floor
Washington, D.C. 20002
(202) 727-8000
Fax: (202) 354-1085]]

[RIGHT OF RECOVERY: If benefits have been received for which the Person was not entitled to receive under the policy, then full reimbursement to AUL is required. Such reimbursement is required whether the overpayment is due to intentional or innocent misrepresentations by the Person, intentional or innocent misrepresentations by an entity supplying AUL with information, a claims processing error or miscalculation by AUL or for any other reason. If reimbursement is not made, then AUL has the right, as allowed under law to:

- 1) reduce future benefits or any amounts payable under all other AUL insurance contracts insuring the Person until full reimbursement is made, and
- 2) recover such overpayments from the Person or his estate.

If AUL chooses not to use benefit payments towards the reimbursement, this will not constitute a waiver of AUL's rights to reimbursement. This provision will be in addition to, and not in lieu of, any other compensation available to AUL by law.]

SECTION 7A - CLAIM PROCEDURES

[SUBROGATION RIGHTS: AUL has the right to be subrogated to any rights a Person may have against a Third Party. AUL may, at its option, bring legal action to recover benefits it paid in connection with a Person's Disability. AUL may do this if a Person:

- 1) suffers a Disability and, because of any act or omission of a Third Party, becomes entitled to and is paid benefits under the policy; and
- 2) does not initiate legal action for the recovery of such benefits from the Third Party within a reasonable period of time.]

[ARBITRATION: The Person may waive any rights to a trial in court, including the right to a jury trial, and any controversy or claim arising out of or relating to the policy, the sale or solicitation of the policy, or its breach thereof whether in tort, contract, breach of duty (including but not limited to) any alleged fiduciary, good faith and fair dealing duties, may be decided by arbitration in accordance with the Federal Arbitration Act, the procedures of the commercial arbitration rules of the American Arbitration Association, and this agreement. The Court of Arbitrators, which is to be held in the county seat where the Person resides, shall consist of three arbitrators familiar with employee welfare benefit plans. The selection of the arbitrators shall be conducted within 30 days after proper service of a demand for arbitration. One of the arbitrators shall be appointed by AUL, one by the insured, and the third shall be selected by the first two appointees prior to the beginning of arbitration. Should the two arbitrators be unable to agree upon the choice of a third, the appointment shall be left to the President or any Vice President of the American Arbitration Association. The arbitrators shall decide by a majority of votes, the award shall be in writing, the decision shall be signed by a majority of the arbitrators, and they shall include a statement regarding the reasons for the disposition of any claim. Arbitration is pursuant to D.C. law and the arbitrators can award consequential or punitive damages. Judgment on the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The parties are not precluded from challenging the decision under the Federal Arbitration Act or applicable law. Unless not allowed under applicable law, each party shall bear the expense of its own attorney and arbitrator, and shall share equally with the other party the expenses of the third arbitrator and of the arbitration.

The parties agree that AUL is engaged in interstate commerce, and the transaction is governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16.

Consistent with the expedited nature of arbitration, each party will, upon the written request of the other party, promptly provide the other with copies of documents relevant to the issues raised by any claim or counterclaim on which the producing party may rely in support of or in opposition to any claim or defense. Any dispute regarding discovery, or the relevance or scope thereof, shall be determined by the arbitrator(s), which determination shall be conclusive. All discovery shall be completed within 60 days following the appointment of the arbitrator(s) or longer following mutual agreement by the parties.]

SECTION 8 - INSURING PROVISIONS

[MONTHLY][WEEKLY] BENEFIT PAYMENTS: AUL will pay Disability benefits, according to the policy, if a Person becomes Disabled while insured by the policy. AUL must receive proof that a Person is Disabled due to Sickness or Injury and requires the Regular Attendance of a legally qualified Physician. AUL will pay the Person a [Monthly][Weekly] Benefit after the Person satisfies the Elimination Period. The Elimination Period may be satisfied by [Total Disability].[Total Disability, Partial Disability, or a combination of both.] [If a Person is Totally Disabled and hospital confined for 24 hours or more with room and board charges [or requires Outpatient Surgery] during the Elimination Period due to an Injury or Sickness resulting in a covered Disability, benefits will be payable from the first day of that confinement.]

The [Monthly] [Weekly] Benefit will be paid as long as Disability continues; provided that proof of continued Disability is submitted to AUL upon request and the Person is under the Regular Attendance and care of a Physician. The proof must be submitted at the Person's expense. [Monthly][Weekly] Benefits will not be paid during any period that a Person is incarcerated in a penal or correctional institution.

The [Monthly][Weekly] Benefit will not exceed the Maximum [Monthly][Weekly] Benefit, nor will it be payable for longer than the Maximum Benefit Duration. The Maximum [Monthly][Weekly] Benefit and the Maximum Benefit Duration are stated in the Schedule of Benefits.

[MEDICAL TREATMENT BENEFIT: A medical treatment benefit may be paid if the Person received treatment by a Physician as a result of a Non-disabling Sickness or Injury. The medical treatment benefit will be the lesser of:

- 1) [\$50] for service charges rendered due to Sickness;
- 2) [\$100] for service charges rendered due to Injury; or
- 3) The Physician's actual charge for services rendered.

In addition, the charges must be for Medically Necessary care and treatment and in keeping with the extent of the Sickness or Injury. No benefit will be paid unless the Person is personally seen and treated by a Physician and the treatment is not for routine medical examinations or dental work.

The maximum Medical Treatment Benefit amount payable is [\$50-\$500] annually.]

[PRORATING OF MONTHLY BENEFIT: The eligible Monthly Benefit will be paid on a monthly basis. For any period of Disability less than one month, the Monthly Benefit will be paid on a pro-rata basis at the rate of 1/30 per day.]

[PRORATING OF THE WEEKLY BENEFIT: The eligible Weekly Benefit will be paid on a weekly basis. For any period of Disability less than one week, the Weekly Benefit payment will be paid on a pro-rata basis at the rate of [1/5][1/7] per day.]

[PRORATING OF MONTHLY BENEFIT: [The eligible Monthly Benefit will be paid on a weekly basis. To determine the weekly payment, the Monthly Benefit will be multiplied by 12, then divided by 52. For any period of Disability less than one week, the weekly benefit payment will be paid on a pro-rata basis at the rate of 1/7 per day.]

[REDUCTIONS TO THE [MONTHLY][WEEKLY] BENEFIT: Other Income Benefits will reduce the [Monthly] [Weekly]Benefit as defined in this certificate. The Social Security Integration Method used is stated in the Schedule of Benefits.]

SECTION 8 - INSURING PROVISIONS

[[MONTHLY][WEEKLY] BENEFITS: To figure the amount of the Total Disability Benefit if a Direct Primary or Family Social Security integration method is stated on the Schedule of Benefits, take the Person's [Monthly][Weekly] Benefit and reduce the result by Other Income Benefits.]

[[MONTHLY][WEEKLY] BENEFITS: To figure the amount of the Total Disability Benefit if an All Sources integration method is stated on the Schedule of Benefits, take the lesser of the following amounts:

- 1) the Person's [Monthly][Weekly] Benefit;
- 2) the Person's [Monthly][Weekly] Earnings multiplied by the All Sources Benefit Percentage as stated on the Schedule of Benefits less Other Income Benefits as defined in the policy; or
- 3) the Maximum [Monthly][Weekly] Benefit as stated in the Schedule of Benefits.]

SECTION 8 - INSURING PROVISIONS

[SOCIAL SECURITY INCENTIVE: For the [first month][first [2-12] months] of entitlement to Social Security benefits, AUL will not reduce the Monthly Benefit by the Social Security monthly benefit. If Social Security benefits are paid in a lump sum, the Lump Sum Payments provision will apply.]

SECTION 8 - INSURING PROVISIONS

[LUMP SUM PAYMENTS: Other Income Benefits that are paid in a lump sum, excluding benefits received from the Employer's Retirement Plan, will be prorated by AUL over the stated period of time the lump sum was projected to apply. Lumps sums projected to cover the Person's life expectancy will be prorated based on appropriate actuarial tables. If the projected period of time that a lump sum is intended to cover is not stated, the lump sum will be prorated over a period of 60 months.

A lump sum payment from an Employer's Retirement Plan will be prorated over 60 months. However, if such lump sum is rolled to an annuity or retirement account that does not pay a benefit prior to the end of the Maximum Benefit Duration stated in the Schedule of Benefits, then the Gross Monthly Benefit will not be reduced by that lump sum payment.

Regardless of how benefits from the Employer's Retirement Plan are distributed, AUL will treat contributions made by the Person and Policyholder as if they were distributed simultaneously throughout the Person's lifetime.]

[APPLICATION FOR OTHER INCOME BENEFITS: If the Person, Spouse or Child(ren) are or become eligible for any Other Income Benefit, they must:

- 1) apply for the Other Income Benefits; and
- 2) appeal any denial for the Other Income Benefit that appears unreasonable.

Until approval or denial of any Other Income Benefits for any Disability is determined, AUL will make payments as indicated below.

[AUL will pay the [Monthly][Weekly] Benefit after the Elimination Period, with no reduction for estimated benefits until the appropriate entity has reached a decision. When a decision is reached, the Person must send AUL a copy of the determination and reimburse AUL for any overpayment made as a result of that decision, regardless of whether or not the coverage is still in force on the date the Person recovers such amount.

Additionally, if an award is made, AUL will reduce the [Monthly][Weekly] Benefit by the amount of the Other Income Benefits the Person received, in accordance with the terms of the policy.]

[Payments will be made under either Method A or B below, as chosen by the Person in a written agreement provided by AUL.

Method A: AUL will estimate the Other Income Benefits that will be received and reduce the regular Monthly Benefit by this amount. If Other Income Benefits are estimated, the Person's regular Monthly Benefit will be adjusted when AUL receives proof of the amount awarded or that benefits have been denied. If the application is denied, the amount withheld based upon estimates will be returned to the Person in a lump sum. During subsequent appeals of denial of benefits Method B will be used.

Method B: AUL will pay the regular Monthly Benefit after the Elimination Period, with no reduction for estimated benefits, until the appropriate entity reaches a decision. When a decision is reached, the Person must send AUL a copy of the determination and reimburse AUL for any overpayment made as a result of that decision, regardless of whether or not the coverage is still in force on the date the Person recovers such amount. Additionally, if an award is made, AUL will reduce the Monthly Benefit by the amount of the Other Income Benefits the Person received, in accordance with the terms of the Policy. If the Person chooses Method B and has not applied for the Other Income Benefits for which he may be entitled, the Person must agree to apply for such benefits immediately. If the Person does not apply for the Other Income Benefits immediately, AUL will automatically use Method A.]]

SECTION 8 - INSURING PROVISIONS

SOCIAL SECURITY APPLICATION ASSISTANCE. When AUL determines that a Person is a likely candidate for Social Security Disability Insurance (SSDI), AUL may assist the Person with the application process for these benefits.

Upon written request, a representative from AUL's Group Claims Department may supply pertinent information to the Person about:

- 1) eligibility for SSDI benefits;
- 2) how to begin the application process;
- 3) how to submit an appeal;
- 4) guidelines established by the Social Security Administration for submitting appeals; and
- 5) names of organizations offering assistance.

SECTION 8 - INSURING PROVISIONS

[MINIMUM [MONTHLY] [WEEKLY] BENEFIT: While a [Monthly] [Weekly] Benefit is payable under the policy, the [Monthly] [Weekly] Benefit shall not be reduced to an amount less than the minimum [Monthly] [Weekly] Benefit indicated in the Schedule of Benefits.]

[COST OF LIVING ADJUSTMENT FREEZE: If the Person receives a cost of living increase, with regard to Other Income Benefits, after the date benefits actually become payable under the policy, the [Monthly] [Weekly] Benefit will not be further reduced by such cost of living increase. For purposes of this provision, a cost of living increase is any annual increase reasonably related to the annual increase in any generally recognized cost of living measurement that applies to all Persons who are entitled to receive such benefits.]

TERMINATION OF THE [MONTHLY][WEEKLY] BENEFIT: The [Monthly][Weekly] Benefit will cease on the EARLIEST of the following: [

- 1) the date Current [Monthly][Weekly] Income equals or exceeds [60%-80%] of the Indexed Pre-disability Earnings;]
- 2) the date that the Person ceases to be Disabled;
- 3) the date the Person dies;
- 4) the date the Maximum Benefit Duration stated in the Schedule of Benefits is completed;
- 5) the date the Person fails to give AUL required proof of Disability or information required by AUL to determine if any benefits are owed under the policy;
- 6) the date the Person refuses to allow an examination requested by AUL;
- 7) the date the Person is no longer under the Regular Attendance and care of a Physician; [or]
- 8) the date the Person refuses to provide any evidence required by AUL to verify the Person's Current [Monthly] [Weekly] Income; or
- 9) the date the Person leaves the United States or Canada and establishes his residence in any other country. A Person will be considered to reside outside these countries when the Person has been outside the United States or Canada for a total period of [3-24 months][12-104 weeks] or more during any [[3-24] consecutive Monthly][[12-104] consecutive Weekly] Benefit payments].

[ACCUMULATION OF ELIMINATION PERIOD: For the purposes of accumulating the Elimination Period the following will apply:

- 1) For Policyholders with Elimination Periods of [90 days or more], if [Total] Disability ceases during the Elimination Period for not more than [30 days], then the [Total] Disability will be treated as continuous.
- 2) For Policyholders with Elimination Periods of [60 days], if [Total] Disability ceases during the Elimination Period for not more than [20 days], then the [Total] Disability will be treated as continuous.
- 3) For Policyholders with Elimination Periods of [30 days], if [Total] Disability ceases during the Elimination Period for not more than [10 days], then the [Total] Disability will be treated as continuous.
- 4) Days that the Person is not [Totally] Disabled under either (1), (2), or (3) above will not count toward the Elimination Period.]

[ACCUMULATION OF ELIMINATION PERIOD: For the purposes of accumulating the Elimination Period for Policyholders with Elimination Periods of [90] days, if the Person satisfies the Elimination Period within [180] days, then the [Total] Disability will be treated as continuous.]

[ACCUMULATION OF ELIMINATION PERIOD: For the purposes of accumulating the Elimination Period for Policyholders with Elimination Periods of:

- 1) [90] days for Injury, if the Person satisfies the Elimination Period within [180] days, then the [Total] Disability will be treated as continuous; and
- 2) [90] days for Sickness, if the Person satisfies the Elimination Period within [180] days, then the [Total] Disability will be treated as continuous.]

[The ACCUMULATION OF THE ELIMINATION PERIOD provision is only applicable as long as the Policyholder's coverage remains in force with AUL.]

SECTION 8 - INSURING PROVISIONS

[RESIDUAL BENEFIT: If the residual benefit is elected by the Policyholder, then the Elimination Period can be met using Total Disability, Partial Disability, or a combination of both.]

[RECURRENT DISABILITY: If, after a period of Disability for which benefits are payable, the Person resumes [his Regular [Occupation][Job]] [Any Occupation] as a Full-Time Employee and performs each Material and Substantial Duty of that [Occupation][Job] for [a continuous period of [3-6 months] or more] [[14-120] consecutive days of full-time work], any Recurrent Disability will be part of a new period of Disability and a new Elimination Period must be completed before any further [Monthly][Weekly] Benefits are payable.

If the Person resumes [his Regular [Occupation][Job]] [Any Occupation] as a Full-Time Employee and performs each Material and Substantial Duty of that [Occupation] [Job] for less than [[3-6] months] [[14-120] consecutive days] of full-time work, a Recurrent Disability will be part of the same period of Disability. The Recurrent Disability must be the direct result of the Injury or Sickness that caused the prior Disability. The Person will not have to complete a new Elimination Period. Benefit payments will be subject to the terms of the policy for the prior Disability. The benefit will be based on the amount of [Basic [Monthly][Weekly] Earnings][[Monthly][Weekly] Benefit] in effect immediately prior to the original Elimination Period.

In order to prevent over-insurance because of duplication of benefits, benefits payable under the Recurrent Disability provision will cease if benefits are payable to the Person under any other group [short term][long term] disability policy.

The Recurrent Disability provision in this Section is only applicable as long as the Policyholder's coverage remains in force with AUL.]

SECTION 8 - INSURING PROVISIONS

[PRESUMPTIVE DISABILITY: When a Person is Partially Disabled and his Current [Monthly][Weekly] Income is [5%-20%] or less than his Indexed Pre-Disability Earnings, AUL will not reduce the [Monthly][Weekly] Benefit by Current [Monthly][Weekly] Income.

[BENEFITS WHILE PARTIALLY DISABLED: When proof is received that a Person is Partially Disabled, then the [Return to Work and Partial Disability Benefits apply][Partial Disability Benefit applies][Return to Work Benefit applies]. Benefits are payable following completion of the Elimination Period. The Partial Disability must be the direct result of the Injury or Sickness that caused the Disability immediately preceding it.]

[RETURN TO WORK BENEFIT: While Partial Disability continues, this benefit will apply until the end of a [12-36] month period following return to work beginning on the first day that the Monthly Benefit is payable for Partial Disability.]

[RETURN TO WORK BENEFIT: While Partial Disability continues, this benefit will apply until the end of the number of [months][weeks] that is one-half of the Maximum Benefit Duration following return to work beginning on the first day that the [Monthly][Weekly] Benefit is payable for Partial Disability.]

[RETURN TO WORK BENEFIT: While Partial Disability continues, this benefit will apply following return to work beginning on the first day that the Monthly Benefit is payable for Partial Disability.]

Under this Return to Work Benefit, Current Monthly Income will not reduce the Monthly Benefit, unless the Current Monthly Income, combined with income from all other sources including the Monthly Benefit, exceeds 100% of the Pre-Disability Earnings. If the combined income exceeds this amount, the Monthly Benefit will be reduced by any amount that is in excess of 100% of the Pre-Disability Earnings.]

SECTION 8 - INSURING PROVISIONS

[PARTIAL DISABILITY BENEFIT: [Upon completion of the Return to Work Benefit period, the][The] benefit for Partial Disability will be calculated:]

- 1) [as a x b x 70% where:
 - a) a = Basic [Monthly][Weekly] Earnings less [Other Income Benefits] [Current [Monthly][Weekly] Income] a Person receives while he is Partially Disabled; and
 - b) b = Gross [Monthly][Weekly] Benefit divided by the benefit percentage stated on the Schedule of Benefits divided by the Basic [Monthly][Weekly] Earnings.]]
- 2) as follows:
 - a) Subtract the Person's Current [Monthly][Weekly] Income from the Person's Indexed Pre-Disability Earnings.
 - b) Divide the answer in Item 2a) by the Person's Indexed Pre-Disability Earnings. The result is the Person's percentage of lost earnings.
 - c) From the Person's Gross [Monthly][Weekly] Benefit, subtract any [Other Income Benefits] [Current [Monthly][Weekly] Income];
 - d) Multiply the answer in Item 2b) by the answer in Item 2c). This is the Person's benefit for Partial Disability.]]
- 3) as follows:
 - a) Multiply the Person's Current [Monthly][Weekly] Income by 50%.
 - b) From the Person's Gross [Monthly][Weekly] Benefit, subtract the answer in Item 3a) and any [Other Income Benefits] [Current [Monthly][Weekly] Income]. This is the Person's benefit for Partial Disability.]

Benefits for [Return to Work and] Partial Disability will never exceed the Person's Maximum[Monthly][Weekly] Benefit as shown on the Schedule of Benefits[, nor be less than the Minimum [Monthly][Weekly] Benefit as shown on the Schedule of Benefits]. The [Return to Work Benefit and the] Partial Disability Benefit will continue as shown above until the EARLIEST of the date:

- 1) the Person ceases to be Partially Disabled;
- 2) the Person dies;
- 3) the Maximum Benefit Duration, as shown on the Schedule of Benefits, is completed;
- 4) the Person fails to give AUL required proof of Disability or information required by AUL to determine if any benefits are owed under the policy;
- 5) the Person refuses to allow an examination requested by AUL;
- 6) the Person is no longer under the Regular Attendance and care of a Physician;[or
- 7) the Person refuses to provide any evidence required by AUL to verify the Person's Current [Monthly][Weekly] Income]; or
- 8) the Person leaves the United States or Canada and establishes his residence in another country. A Person will be considered to reside outside these countries when the Person has been outside the United States or Canada for a total period of [[3-24] months][[12-104] weeks] or more during any [[3-24] consecutive months][[12-104] consecutive weeks] of benefits].

For purposes of the [Return to Work Benefit and the] Partial Disability Benefit provision[s], Pre-Disability Earnings will be increased annually using the Consumer Price Index. The increase will be effective on the [July 1st] following the first 12 consecutive calendar months of Disability and on each subsequent [July 1st]. The annual increase is only to determine eligibility and will not increase the Return to Work Benefit or Partial Disability Benefit.

AUL may require any evidence needed to verify the Person's earnings and proof of continuing Disability.]

SECTION 8 - INSURING PROVISIONS

[ACCIDENTAL DISMEMBERMENT AND LOSS OF SIGHT:

If an accidental Injury:

- 1) occurs while the Person is insured under the policy; and
- 2) results in any of the losses shown in the schedule below within 100 days after the date of Injury,

then AUL will pay the Monthly Benefit to the Person for the longer of:

- 1) The number of payments listed on the schedule below; or
- 2) The number of months the Person remains Disabled, not to exceed the Maximum Benefit Duration.

Payment of this benefit will not be subject to completion of the Elimination Period. However, after the Elimination Period has been completed, this benefit will be paid in lieu of the regular Monthly Benefit, not in addition to it. If the Person returns to work, AUL will continue to pay the scheduled Monthly Benefit payments, not to exceed the maximum number of Monthly Benefit payments in the schedule below. The Monthly Benefit will not be reduced by any Current Monthly Income received from the Policyholder after the Person returns to work. If the Person dies, the Monthly Benefit payments will cease.

SCHEDULE OF MONTHLY BENEFIT PAYMENTS

FOR LOSS OF:	NUMBER OF MONTHLY BENEFIT PAYMENTS*
Sight of both eyes	[46]
Both hands	[46]
Both feet	[46]
One hand and one foot	[46]
One hand and sight of one eye	[46]
One foot and sight of one eye	[46]
One hand or one foot	[23]
Sight of one eye	[15]
Thumb and index finger of either hand	[12]

*Note: With regard to the above schedule, the maximum number of Monthly Benefit payments for all losses suffered in any one Injury shall be limited to the one loss that provides the greatest number of Monthly Benefit payments.

"Loss of hands and feet" means the loss by severance at or above the wrist or ankle joint.

"Loss of sight" means total and irrecoverable loss of sight.

"Loss of thumb and index finger" means actual severance at or above the knuckles joining each to the hand.]

SECTION 8 - INSURING PROVISIONS

[SURVIVOR BENEFIT: AUL will pay a lump sum benefit to the Eligible Survivor when proof acceptable to AUL, is received that the Person died:[

- 1) after Disability had continued for [180] or more consecutive days; and
- 2)]while the Person was receiving a Monthly Benefit.

The lump sum benefit will be an amount equal to [3][6] times the Person's last[Gross] Monthly Benefit.

If payment of a lump sum benefit becomes due to the Person's Child(ren) as an Eligible Survivor, payment will be made to the Child(ren) or to a Person entitled to receive payments on behalf of the Child(ren) under applicable law. Payment to such Person will be valid and effective against all claims of others representing or claiming to represent the Child(ren).

If there are no Eligible Survivors, then no lump sum benefit will be paid.]

ADVANCED SURVIVOR BENEFIT: The Person may receive an Advanced Survivor Benefit prior to the Person's death if he has been diagnosed with a Terminal Illness, while covered under the Group Policy.

AUL will pay the Person a lump sum amount equal to [[1-2] year[s]] [[12-24] months] of the Person's Monthly Benefit [before any reduction for Other Income Benefits and Current Monthly Income] if[:][

- 1) the Person has been diagnosed with a Terminal Illness[; and
- 2) the Person's Disability had continued for [180] or more consecutive days].

The Person's right to exercise this option and receive payment is subject to the following:

- 1) the Person must make this election in writing to AUL; and
- 2) the Person's Physician must certify in writing that the Person has a Terminal Illness.

This benefit is available to the Person on a voluntary basis and will be payable one time only under the Group Policy.

If the Person receives the Advanced Survivor Benefit prior to his death, it will be in lieu of any other Survivor Benefit under the Group Policy upon the Person's death.

SECTION 8 - INSURING PROVISIONS

[ORGAN TRANSPLANT PROCEDURE means the surgical removal of any one or more of a Person's organs for the purpose of transplanting to another individual.

ORGAN DONOR TRANSPLANT BENEFIT: AUL will pay a [Monthly][Weekly] Benefit [and an additional benefit of [5%-20%] of a Person's [Monthly][Weekly] Benefit] if a Person becomes Disabled as a result of an Organ Transplant Procedure while insured under the policy. Proof of the Disability must be received by AUL for review. Payment of this benefit will not be subject to satisfaction of the Pre-Existing Condition exclusion or limitation period.

TERMINATION: The Organ Donor Transplant Benefit will terminate the EARLIER of: [

- 1) the date Current [Monthly][Weekly] Income equals or exceed [60%-80%] of the Indexed Pre-disability Earnings;]
- 2) the date that the Person ceases to be Disabled;
- 3) the date the Person dies;
- 4) the date the Maximum Benefit Duration stated in the Schedule of Benefits is completed;
- 5) the date the Person fails to give AUL required proof of Disability or information required by AUL to determine if any benefits are owed under the policy;
- 6) the date the Person refuses to allow an examination requested by AUL;
- 7) the date the Person is no longer under the Regular Attendance and care of a Physician;[or]
- 8) the date the Person refuses to provide any evidence required by AUL to verify the Person's Current [Monthly] [Weekly] Income[; or
- 9) the date the Person leaves the United States or Canada and establishes his residence in any other country. A Person will be considered to reside outside these countries when the Person has been outside the United States or Canada for a total period of [[3-24] months][[12-104 weeks] or more during any [[3-24] consecutive Monthly][[12-104] consecutive Weekly] Benefit payments].

SECTION 9 - EXCLUSIONS

GENERAL EXCLUSIONS: The policy does not cover any Disability caused by, contributed to by, or resulting from:

- 1) participation in war or any act of war, declared or undeclared;
- 2) active participation in a riot;
- 3) attempted suicide, regardless of mental capacity;
- 4) attempted or actual self-inflicted bodily injury or self destruction, including but not limited to the voluntary inhaling or taking of:
 - a) poison; and
 - b) toxic fumes;
- 5) the voluntary use of illegal drugs;
- 6) the intentional taking of over the counter medication not in accordance with recommended dosage and warning instructions;
- 7) the intentional misuse of prescription drugs;
- 8) commission of or attempt to commit a criminal act under relevant state law;
- 9) Cosmetic Surgery. However, Cosmetic Surgery will be covered when it is due to:
 - a) reconstructive surgery incidental to, or follows surgery resulting from, trauma, infection or other diseases of the involved part; or
 - b) congenital disease or anomaly that has resulted in a functional defect;
- 10) a Person being legally intoxicated as defined by the law of the jurisdiction in which the incident occurs;
- 11) any event that occurs while a Person is incarcerated in a penal or correctional institution;
- 12) participation in any self asphyxiation method;
- 13) Surgery that is not Medically Necessary to treat a Sickness or Injury;
- 14) traveling or flying on any aircraft operated by or under authority of military or any aircraft being used for experimental purposes; or
- 15) engaging in any illegal or fraudulent occupation, work, or employment[; or
- 16) any Injury or Sickness due to employment, and for which benefits are payable by any type of Workers' or Workmen's Compensation Law or any similar act or law].

SECTION 9 - EXCLUSIONS

[PRE-EXISTING CONDITION [EXCLUSION][LIMITATION]:

[[Benefits will not be paid][A limited benefit will be paid] if the Person's Disability begins in the first [5, 30 days][6, 12 or 24 months] following the Person's Individual Effective Date of Insurance; and the Person's Disability is caused by, contributed to by, or the result of a condition, whether or not that condition is diagnosed at all or is misdiagnosed, for which[:][

- 1)]the Person received medical treatment, consultation, care or services, including diagnostic measures, or was prescribed drugs or medicines in the [30 days][3, 6, or 12 months] just prior to the Person's Individual Effective Date of Insurance[.]; or
- 2) the Person had symptoms for which an ordinarily prudent Person would have consulted a Physician in the [30 days] [3, 6 or 12 months] just prior to the Person's Individual Effective Date of Insurance.]]

[[Benefits will not be paid][A limited benefit will be paid] if the Person's Disability begins in the first [5, 30 days][6, 12, or 24 months] following the Person's Individual Effective Date of Insurance; and the Person's Disability is caused by, contributed to by, or the result of a condition, whether or not that condition is diagnosed at all or is misdiagnosed, for which[:][

- 1)]the Person received medical treatment, consultation, care or services, including diagnostic measures, or was prescribed drugs or medicines in the [30 days][3, 6 or 12 months] just prior to the Person's Individual Effective Date of Insurance; [or][and]
- 2) [the Person had symptoms for which an ordinarily prudent Person would have consulted a Physician in the [30 days] [3, 6 or 12 months] just prior to the Person's Individual Effective Date of Insurance; and]
- 3) the Person was not Treatment Free for [3, 6, or 12] consecutive months after the Person's Individual Effective Date of Insurance.]

[The [monthly][weekly] amount payable under this provision will be the lesser of:

- 1) the Person's [Monthly] [Weekly] Benefit payable if the Person did not have a Pre-Existing Condition; or
- 2) the Person's Gross [Monthly] [Weekly] Benefit multiplied by [10%-25%].

Benefits under this provision are payable for no more than [[1-6] month[s]][[4-26] weeks] during any one period of Disability. In no event will benefits be paid beyond the Maximum Benefit Duration.]]

SECTION 9 - EXCLUSIONS

[When the policy is replacing a Prior Plan of Franchise Coverage, the preceding Pre-Existing Condition [Exclusion][Limitation] provision will not apply to a Person:

- 1) who is listed on the prior carrier's Franchise Coverage billing statement within [1-90 day[s]] before the Policyholder's original Effective Date;
- 2) who requests coverage under the policy when he first becomes eligible for coverage; and
- 3) whose coverage under the Prior Plan terminated.]

SECTION 9 - EXCLUSIONS

[[PRE-EXISTING CONDITION EXCLUSION ON AN INCREASED [MAXIMUM] [MONTHLY] [WEEKLY] BENEFIT[OR ANNUAL INCREASE IN BENEFIT]: This provision applies to an increase in the [Maximum] [Monthly] [Weekly] Benefit that occurs after the Policyholder's Effective Date.

The policy will not cover the amount of the increase in the [Maximum] [Monthly] [Weekly] benefit if the Person's Disability begins in the first [6, 12, 24] months following the effective date of the increase in coverage; and the Person's Disability is caused by, contributed to by, or the result of a condition, whether or not that condition is diagnosed at all or is misdiagnosed, for which[:][

- 1)]the Person received medical treatment, consultation, care or services, including diagnostic measures, or was prescribed drugs or medicines in the [3, 6, 12] months just prior to his effective date of increase in amount of insurance[.]; or
- 2) the Person had symptoms for which an ordinarily prudent Person would have consulted a Physician in the [3, 6, 12] months just prior to his effective date of increase in amount of insurance.]]

[PRE-EXISTING CONDITION EXCLUSION ON AN INCREASED BENEFIT WHEN CHANGING CARRIERS: This provision applies to an increase in the Maximum [Monthly] [Weekly] benefit when:

- 1) coverage under the policy replaces a Prior Plan; and
- 2) coverage under the policy has a Maximum [Monthly] [Weekly] benefit that is in excess of the Prior Plan.

The policy will not cover the amount of the increase in Maximum [Monthly] [Weekly] benefit if the Person's Disability begins in the first [6, 12, 24] months following the Policyholder's Effective Date; and the Person's Disability is caused by, contributed to by, or the result of a condition, whether or not that condition is diagnosed at all or is misdiagnosed, for which[:][

- 1)]the Person received medical treatment, consultation, care or services, including diagnostic measures, or was prescribed drugs or medicines in the [3, 6, 12] months just prior to his effective date of increase in amount of insurance[.]; or
- 2) the Person had symptoms for which an ordinarily prudent Person would have consulted a Physician in the [3, 6, 12] months just prior to the Policyholder's effective date of increase in amount of insurance.]]

[PRE-EXISTING CONDITION EXCLUSION FOR A CHANGE IN OPTIONS: This provision applies when a Person changes Options resulting in an increase in coverage after the Policyholder's Effective Date.

The policy will not cover the Person under the new Option if the Person's Disability begins in the first [6, 12, 24] months following the Effective Date of Change in Options; and the Person's Disability is caused by, contributed to by, or the result of a condition, whether or not that condition is diagnosed at all or is misdiagnosed, for which[:][

- 1)]the Person received medical treatment, consultation, care or services, including diagnostic measures, or was prescribed drugs or medicines in the [3, 6, 12] months just prior to the Effective Date of Change in Options[.]; or
- 2) the Person had symptoms for which an ordinarily prudent Person would have consulted a Physician in the [3, 6, 12] months just prior to the Effective Date of Change in the Option's increase in amount of insurance.]

A Person will receive benefits based on the Option he was previously insured under if eligible for such benefits according to the provisions applicable to that Option.]]

SECTION 10 - DRUG AND ALCOHOL ABUSE LIMITATION

[DRUG AND ALCOHOL ABUSE LIMITATION: Monthly Benefits for Disability due to drug and alcohol abuse, whether or not benefits were originally sought because of the condition, will not be payable beyond the Maximum Benefit Duration. In addition, if the Maximum Benefit Duration is longer than [6-24] months, benefits for Disability due to drug and alcohol abuse will not exceed [6-24] months of Monthly Benefit payments. [Benefit payments for Disabilities due to drug and alcohol abuse are cumulative for the lifetime of the contract.]

The Monthly Benefit may be paid beyond [6-24] months if:

- 1) the Person is in a hospital or institution at the end of the [6-24] month period; and
- 2) confinement begins:
 - a) during the Elimination Period; or
 - b) during the [6-24] months next following the Elimination Period; and
- 3) confinement is for at least 14 consecutive calendar days.

The Monthly Benefit will be payable until the Person is discharged. If Disability continues after discharge, the Monthly Benefit will be payable for a recovery period not to exceed 90 days.

If the Person is re-confined in a hospital or institution for the same Sickness or Injury which caused the Disability, the Monthly Benefit will be payable during the re-confinement if:

- 1) it begins during the recovery period; and
- 2) it is for at least 14 consecutive calendar days.

If Disability continues after the Person is discharged from such a re-confinement, the Monthly Benefit will be payable for a final recovery period not to exceed 90 days.

For any period of confinement beyond those stated above, the Monthly Benefit will continue to be payable:

- 1) only if confinement is for at least 14 consecutive calendar days;
- 2) only until the Person is discharged; and
- 3) only if the Person is continuously Totally Disabled.

To be covered, confinement must be in a facility licensed to provide care and treatment for the disabling condition due to drug or alcohol abuse.]

SECTION 11 - SPECIAL CONDITIONS LIMITATION

[SPECIAL CONDITIONS mean:

- 1) musculoskeletal and connective tissue disorders of the neck and back including any disease or disorder of the cervical, thoracic and lumbosacral back and its surrounding soft tissue including sprains and strains of joints and adjacent muscles, EXCEPT:
 - a) arthritis;
 - b) herniated intervertebral discs;
 - c) scoliosis;
 - d) spinal fractures;
 - e) osteopathies;
 - f) spinal tumors, malignancy, or vascular malformations;
 - g) radiculopathies, documented by electromyogram;
 - h) spondylolisthesis, grade II or higher;
 - i) myelopathies and myelitis;
 - j) demyelinating disease;
 - k) traumatic spinal cord neurosis;
 - l) myofacial pain syndrome;
- 2) chronic fatigue syndrome;
- 3) fibromyalgia;
- 4) carpal tunnel syndrome, or
- 5) environmental allergic illness, including but not limited to sick building syndrome and multiple chemical sensitivity.

SPECIAL CONDITIONS LIMITATION: Benefits for Disability due to Special Conditions, whether or not benefits were sought because of the condition, will not be payable beyond [6-24] months as stated on the Schedule of Benefits. [Benefit payments for Disabilities due to Special Conditions are cumulative for the lifetime of the contract.]

The Monthly Benefit may be paid beyond [6-24] months if:

- 1) the Person is in a hospital or institution at the end of the [6-24] month period, as chosen by the Policyholder on the Schedule of Benefits; and
- 2) confinement begins:
 - a) during the Elimination Period; or
 - b) during the [6-24] months, as stated by the Policyholder in the Schedule of Benefits, next following the Elimination Period; and
- 3) confinement is for at least 14 consecutive calendar days.

The Monthly Benefit will be payable until a Person is discharged. If Disability continues after discharge, this benefit will be payable for a recovery period not to exceed 90 days.

If a Person is re-confined in a hospital or institution for the same Sickness or Injury that caused the Disability, this benefit will be payable during the re-confinement if:

- 1) it begins during the recovery period; and
- 2) it is for at least 14 consecutive calendar days.]

SECTION 11 - SPECIAL CONDITIONS LIMITATION

[If Disability continues after a Person is discharged from this re-confinement, the Monthly Benefit will be payable for a final recovery period not to exceed 90 days.

For any period of confinement beyond those stated above, the Monthly Benefit will continue to be payable:

- 1) only if confinement is for at least 14 consecutive calendar days; and
- 2) only until a Person is discharged; and
- 3) only if a Person is continuously Disabled.

To be covered, confinement must be in a facility licensed to provide care and treatment for the disabling condition due to Special Conditions.]

SECTION 12 - MENTAL ILLNESS LIMITATION

[MENTAL ILLNESS LIMITATION: Monthly Benefits for Disability due to Mental Illness, whether or not benefits were originally sought because of the condition, will not be payable beyond the Maximum Benefit Duration. In addition, if the Maximum Benefit Duration is longer than [6-24] months, benefits for Disability due to Mental Illness will not exceed [6-24] months of Monthly Benefit payments. [Benefit payments for Disabilities due to Mental Illness are cumulative for the lifetime of the contract.]

The Monthly Benefit may be paid beyond such period if:

- 1) the Person is in a hospital or institution at the end of the [6-24] month period; and
- 2) confinement begins:
 - a) during the Elimination Period; or
 - b) during the [6-24] months next following the Elimination Period; and
- 3) confinement is for at least 14 consecutive calendar days.

The Monthly Benefit will be payable until the Person is discharged. If Disability continues after discharge, the Monthly Benefit will be payable for a recovery period not to exceed 90 days.

If the Person is re-confined in a hospital or institution for the same Sickness or Injury which caused the Disability, the Monthly Benefit will be payable during the re-confinement if:

- 1) it begins during the recovery period; and
- 2) it is for at least 14 consecutive calendar days.

If Disability continues after the Person is discharged from this re-confinement, the Monthly Benefit will be payable for a final recovery period not to exceed 90 days.

For any period of confinement beyond those stated above, the Monthly Benefit will continue to be payable

- 1) only if confinement is for at least 14 consecutive calendar days;
- 2) only until the Person is discharged; and
- 3) only if the Person is continuously Totally Disabled.

To be covered, confinement must be in a facility licensed to provide care and treatment for the disabling condition due to Mental Illness.

AUL will not apply the Mental Illness Limitation to a Disability due to dementia if it is a result of:

- 1) stroke;
- 2) trauma;
- 3) viral infection; or
- 4) Alzheimer's disease.]

SECTION 13 - CONTINUITY OF COVERAGE

[WHEN REPLACING NON-FRANCHISE COVERAGE: This provision applies when coverage under the policy replaces a Policyholder's Prior Plan of non-Franchise Coverage that terminated on the day before the Policyholder's original Effective Date of coverage under the policy. This Section will apply only to Persons insured under the Policyholder's Prior Plan [on its termination date] [within [1-90] days before the Policyholder's original Effective Date].

Unless replacing a Prior Plan of AUL coverage with short or long term coverage, a Prior Plan must be replaced with:

- 1) a plan of long term coverage for long term coverage;
- 2) a plan of short term coverage for short term coverage; or
- 3) a plan that contains a short Elimination Period and a long term Maximum Benefit Duration.

Continuity of Coverage will apply to a Person who would not get coverage under the policy because of the following situations:

- 1) failure of a Person to be Actively at Work due to Disability[,] [or] [an approved Leave of Absence][,] [or] [a sabbatical][,] [or temporary layoff] on the Policyholder's Effective Date; or
- 2) a Pre-Existing Condition limitation or exclusion of the policy.

BENEFITS FOR A PERSON WHO FAILS TO BE ACTIVELY AT WORK DUE TO DISABILITY: The policy will insure, subject to proper premium payments, a Person who:

- 1) was insured under the Prior Plan on its termination date; and
- 2) is not Actively at Work due to Disability[,] [or] [an approved Leave of Absence][,] [or] [a sabbatical][,] [or temporary layoff] on the Policyholder's Effective Date.

Coverage under this provision will begin on the Policyholder's Effective Date and will continue until the EARLIEST of:

- 1) the [end of the month following the]date the Person returns to Active Work; or
- 2) the end of any period of coverage provided under the Prior Plan; or
- 3) the date coverage would otherwise end, according to the provisions of the AUL policy.

The benefits payable will be as follows:

- 1) when replacing prior carrier coverage, the same as the Prior Plan would have paid had coverage remained in force, less any amount for which the Prior Plan is liable; or
- 2) when replacing a Prior Plan of AUL coverage, the Person will be paid the benefits of the lesser coverage.

This Section of the Continuity of Coverage provision does not establish eligibility for coverage of a Person under the policy. Eligibility can only be met when the Person returns to full-time, Active Work as described in the Eligibility and Individual Effective Date of Insurance Section.

BENEFITS PAYABLE FOR A DISABILITY DUE TO A PRE-EXISTING CONDITION: Benefits may be payable for a Disability due to a Pre-Existing Condition for a Person who:

- 1) was insured by the Prior Plan on its termination date; and
- 2) has been continuously covered under the AUL policy from the Effective Date of the Policyholder's coverage under the policy through the date the Person's Disability began.

The benefit payable will be determined by applying the policy's Pre-Existing Condition [Exclusion][Limitation]. If the Injury or Sickness that caused the Person's Disability is not subject to the Pre-Existing Condition [Exclusion][Limitation] of the policy, as elected by the Policyholder, then the Person will be paid the benefits of the policy as elected by the Policyholder.]

SECTION 13 - CONTINUITY OF COVERAGE

[If the Injury or Sickness that causes the Person's Disability is subject to the Pre-Existing Condition [Exclusion][Limitation] of the policy, and such Injury or Sickness is not excluded under the Prior Plan's Pre-Existing Condition exclusion or limitation, giving consideration for continuous time the Person is covered under both plans, the Person will be paid the lesser of:

- 1) the benefits of the policy determined without application of the Pre-Existing Condition [Exclusion][Limitation]; or
- 2) the benefits of the Prior Plan.

[If the benefits of the policy determined without application of the Pre-Existing Condition [Exclusion][Limitation] is more than the benefits of the Prior Plan, the Person will also be paid an amount for [[1-6] month[s]][[4-26] weeks] equal to [[10%-25%] of the difference between the [Monthly][Weekly] Benefit of AUL's Plan and the [Monthly][Weekly] Benefit of the Prior Plan.]

If the Injury or Sickness is excluded under the Prior Plan's Pre-Existing Condition exclusion or limitation, giving consideration for continuous time the Person is covered under both the Prior Plan and the policy, no benefit will be paid.

[This section will only apply if the Person, on the Policyholder's Effective Date, elected a change in either the Elimination Period and/or the Maximum Benefit Duration. The Pre-Existing Condition Exclusion under the Continuity of Coverage provision would not apply to a change in the [Monthly][Weekly] Benefit Amount.]

SECTION 13 - CONTINUITY OF COVERAGE

WHEN REPLACING FRANCHISE COVERAGE: This provision applies when coverage under the policy replaces a Prior Plan of Franchise Coverage that the Policyholder sponsored. This Section will apply only to Persons who were insured under the Prior Plan of Franchise Coverage within the 90 days before the Policyholder's original Effective Date.

Unless replacing a Prior Plan of AUL coverage with short or long term coverage, a Prior Plan must be replaced with:

- 1) a plan of long term coverage for long term coverage;
- 2) a plan of short term coverage for short term coverage; or
- 3) a plan that contains a short Elimination Period and a long term Maximum Benefit Duration.

Continuity of Coverage will apply to a Person who would not get coverage under the policy because of the failure of a Person to be Actively at Work due to Disability[,] [or] [an approved Leave of Absence][,] [or] [a sabbatical][,] [or temporary layoff] on the Policyholder's Effective Date.

BENEFITS FOR A PERSON WHO FAILS TO BE ACTIVELY AT WORK DUE TO DISABILITY: The policy will insure, subject to proper premium payments, a Person who:

- 1) was insured under the Prior Plan on its termination date; and
- 2) is not Actively at Work due to Disability[,] [or] [an approved Leave of Absence][,] [a sabbatical][,] [or temporary layoff] on the Policyholder's Effective Date.

Coverage under this provision will begin on the Policyholder's Effective Date and will continue until the EARLIEST of:

- 1) the [end of the month following the]date the Person returns to Active Work; or
- 2) the date coverage would otherwise end, according to the provisions of the AUL policy. .

When replacing Franchise Coverage, the benefits payable will be the same as the benefits of the Policyholder's policy with AUL

This Section of the Continuity of Coverage provision does not establish eligibility for coverage of a Person under the policy. Eligibility can only be met when the Person returns to full-time, Active Work as described in the Eligibility and Individual Effective Date of Insurance Section.]

SECTION 14 - PORTABILITY PRIVILEGE

[If a Person's insurance under the policy terminates for any reason other than stated below, the Person is entitled to continue his coverage for [6-24 months] without submission of Evidence of Insurability. To be eligible for this Privilege, the Person must have been insured under the policy for at least [1-24 consecutive months] just before insurance under the policy terminated.

This Portability Privilege provides the same coverage that the Person had immediately prior to the date of his termination. Any benefits payable are governed by the policy according to the provisions and benefits elected by the Policyholder and stated in the Schedule of Benefits. However, the Maximum Benefit Duration will be the lesser of:

- 1) [[1-2] year[s]; or
- 2) the Maximum Benefit Duration in effect immediately prior to the date of his termination.]

This Portability Privilege is subject to the following:

- 1) application for Portability must be made via a method approved by AUL within 31 calendar days after termination of insurance under the policy;
- 2) payment of the initial correct amount of premium;
- 3) the premium is based on the Person's age and the premium rate in effect on the date of application for Portability; and
- 4) the effective date for the Person under the Portability Privilege is the date immediately following the date of his termination.

The Portability Privilege is not available to any Person:

- 1) whose insurance under the policy terminates for any of the following reasons:
 - a) the Person enters a class of Employees that are not eligible for coverage under the policy;
 - b) the Person retires (when the Person receives payment from any Employer's Retirement Plan as recognition of past services or has concluded his/her working career); or
 - c) the Person failed to pay any required premium;
- 2) who is or becomes insured for any other group long or short term disability policy which provides coverage similar to the type of coverage provided by the policy within 31 days after termination under the policy;
- 3) who is Disabled under the terms of the policy; or
- 4) who is on leave of absence.

Insurance under the Portability Privilege will terminate on the earliest of the following dates:

- 1) the last day for which any required premium has been made;
- 2) the date the Person requests termination, but not prior to the date of the request;
- 3) the last day of a Coverage Month, provided that AUL has given at least 31 days prior written notice to the Person;
- 4) the date the Person retires;
- 5) the date the policy terminates;
- 6) the date the Person enters active military service for any country, except for temporary duty of 30 days or less;
- 7) the date that coverage begins under any other group long or short term disability policy that provides coverage similar to coverage provided by the policy;
- 8) the date following [6-24 months] of coverage; or
- 9) the date the Person leaves the United States or Canada and establishes his residence in any other country. A Person will be considered to reside outside these countries when the Person has been outside the United States or Canada for more than [3-24] months in any [3-24] month period.]

SECTION 15 - COST OF LIVING ADJUSTMENT BENEFIT

[COST OF LIVING ADJUSTMENT BENEFIT: A Person will be eligible for cost of living adjustments to the Monthly Benefit for Total Disability on the [July 1st] following [12][60] consecutive calendar months of receiving Disability benefits and on each subsequent [July 1st]. The duration of adjustments is stated in the Schedule of Benefits.

[The Person's Monthly Benefit for Total Disability will be increased by the lesser of:

- 1) the percentage shown in the Schedule of Benefits; or
- 2) the Consumer Price Index.]

[A Person's Gross Monthly Benefit will be increased by the lesser of:

- 1) the percentage shown on the Schedule of Benefits; or
- 2) the Consumer Price Index.]

Each cost of living adjustment will be added to the Person's Monthly Benefit for Total Disability and will be paid monthly. For the purpose of calculating subsequent adjustments, the [Gross Monthly Benefit][Monthly Benefit for Total Disability] will include any prior years' cost of living adjustments.

Cost of Living adjustment increases shall not be limited by the Maximum Monthly Benefit.]

SECTION 16 – MANDATORY REHABILITATION PROGRAM

[MANDATORY REHABILITATION PROGRAM: AUL's Rehabilitation Program is designed to assist a Person in returning to work. A Person's claim is reviewed and medical and vocational information is analyzed to determine if rehabilitation services might assist in this process.

AUL's Rehabilitation Program specialists, who coordinate with the Person's Physician and other specialists, complete an initial review. After this review, AUL may elect to offer and pay for a reasonable and necessary Rehabilitation Program. The Person must receive written approval from AUL before beginning any Program in order to be eligible for benefits under this Section. AUL will not reimburse unapproved or unnecessary rehabilitation expenses.

AUL's Rehabilitation Program may include coordination with other parties to:

- 1) assist in the Person's return to work;
- 2) evaluate adaptive equipment to allow the Person to work;
- 3) provide child care assistance during the Person's participation in a rehabilitation program;
- 4) provide vocational evaluation;
- 5) provide job placement services;
- 6) provide resume preparation;
- 7) provide job-seeking skills training;
- 8) provide retraining for a new occupation;
- 9) provide alternative treatment plans such as:
 - a) support groups;
 - b) physical therapy;
 - c) occupational therapy;
 - d) speech therapy;
 - e) exercise programs;
 - f) mental health programs; or
 - g) other medical rehabilitation programs.

If at any time the Person declines to take part or cooperate in a rehabilitation evaluation or program, that AUL determines is appropriate for his Disability and has been approved by his Physician, AUL may discontinue paying the Person a Monthly Benefit for Disability.]

SECTION 16A – VOCATIONAL REHABILITATION PROGRAM

[VOCATIONAL REHABILITATION PLAN means a written plan that a vocational rehabilitation professional, designated by AUL, prepares in accordance with this Vocational Rehabilitation Program section.

VOCATIONAL REHABILITATION PROGRAM: AUL's Vocational Rehabilitation Program is designed to assist a Person in returning to work. A Person's claim is reviewed and medical and vocational information is analyzed to determine if rehabilitation services might assist in this process.

AUL's Rehabilitation Program specialists, who coordinate with a Person's Physician and other specialists, complete an initial review. After this review, AUL may elect to offer and pay for a reasonable and necessary Vocational Rehabilitation Program. A Person must receive written approval from AUL, and a Vocational Rehabilitation Plan must be developed for the Person, before he is eligible for services [and benefits] under this provision. AUL will not reimburse unapproved or unnecessary rehabilitation expenses.

AUL's Vocational Rehabilitation Program may include coordination with other parties to:

- 1) assist in a Person's return to work;
- 2) evaluate adaptive equipment to allow a Person to work;
- 3) provide child care assistance during a Person's participation in a rehabilitation program;
- 4) provide vocational evaluation;
- 5) provide job placement services;
- 6) provide resume preparation;
- 7) provide job-seeking skills training;
- 8) provide retraining for a new occupation;
- 9) provide alternative treatment plans such as recommendations for:
 - a) support groups;
 - b) physical therapy;
 - c) occupational therapy;
 - d) speech therapy;
 - e) exercise programs;
 - f) mental health programs; or
 - g) other medical rehabilitation programs.

[VOCATIONAL REHABILITATION BENEFIT. If the Person is receiving a Monthly Benefit under the policy, and the Person is participating in a Vocational Rehabilitation Plan, the Person will be eligible for an additional Vocational Rehabilitation Benefit under the Plan. AUL will pay an additional Vocational Rehabilitation Benefit of [1-10%] of the Person's Gross Monthly Benefit to a maximum of [\$100-\$1,000] per month while he is participating in this Vocational Rehabilitation Program.

The Vocational Rehabilitation Benefit is subject to policy provisions which would otherwise increase or reduce the benefit amount such as Other Income Benefits.

TERMINATION: Vocational Rehabilitation Benefits will end on the EARLIEST of the following dates:

- 1) the date AUL determines that the Person is no longer eligible to participate in a Vocational Rehabilitation Plan;
- 2) the date the Person is no longer participating in this Vocational Rehabilitation Plan; or
- 3) any other date on which benefits terminate under the policy.]]

SECTION 17 - WORKPLACE MODIFICATION BENEFIT

WORKPLACE MODIFICATION means reasonable and necessary changes to a Person's work environment or to the way a Person's job is performed that enables the Person to return to full or part-time work for the Policyholder.

WORKPLACE MODIFICATION BENEFIT: AUL may pay the expense for any reasonable and necessary modification to a Person's workplace to accommodate the Person's Disability and enable him to return to Active Work for the Policyholder. The amount AUL may pay will not exceed the lesser of:

- 1) [two] times the Person's last [Monthly][Weekly] Benefit payment; or
- 2) [\$2,000-\$5,000].

To qualify for this Benefit:

- 1) a Person must be receiving a [Monthly][Weekly] Benefit under the policy;
- 2) the Policyholder must agree to make reasonable and necessary modifications to the workplace that reasonably accommodates and enables a Person's return to full or part-time employment with the Policyholder; and
- 3) all proposed modifications and costs must be approved by AUL in advance and in writing prior to making any modification.

AUL may evaluate the appropriateness of a proposed modification.

AUL reserves the right, at its expense, to have a Person examined and evaluated by a Physician or other health care professional and a vocational expert or rehabilitation specialist of its choice, as frequently as it deems necessary.

If the Policyholder incurs reasonable and necessary costs for AUL approved modifications, the Policyholder will be reimbursed after:

- 1) proposed modifications made on the Person's behalf are completed;
- 2) written proof of incurred expenses for all modifications have been provided to and approved by AUL; and
- 3) the Person has returned to full or part-time employment with the Policyholder.

This Benefit will not be payable if:

- 1) expenses were not incurred in making the actual modification;
- 2) AUL did not provide written approval for the modification or its cost prior to the expense;
- 3) the Person becomes self-employed or returns to work for an employer other than the Policyholder;
- 4) the Person or Policyholder is able to apply or receives reimbursement for any costs under any other governmental program, grant, insurance policy, law or settlement; or
- 5) the Person ceases to be Disabled before or during the Workplace Modification.

[This benefit is available on a one-time basis, per Person.]

SECTION 18 - FAMILY CARE BENEFIT

[FAMILY CARE BENEFIT: If the Person is [receiving a Return to Work Benefit,] [and] [participating in AUL's [Vocational][Mandatory] Rehabilitation Program] a Person may be eligible to receive a Family Care Benefit.

FAMILY CARE means:

- 1) care or supervision of the Person's Child(ren) under age 13;
- 2) care or supervision of a individual who can be claimed as a dependent for federal income tax purposes of a Person's household for whom supervision is required or necessary; and
- 3) care is given by a licensed child-care center or a licensed caregiver who is not related to the Person by blood or marriage. The care must be documented by receipts that include the name, address, phone number and taxpayer identification number of the entity or Person providing the care.

FAMILY CARE BENEFIT: The maximum monthly Family Care Benefit allowed for each qualifying child(ren) or legal dependent of the Person's household is [\$150-\$500] [during the first [12-36] months of receiving the Return to Work Benefit.] [The monthly Family Care Benefit will never exceed the amount of the Current Monthly Income used to calculate the Return to Work Benefit.] The Family Care Benefit will be reduced proportionally for periods of less than a month. The Family Care Benefit is limited to a combined monthly maximum of [\$1,000-\$3,000] and is only available in conjunction with and during the Return to Work Benefit period.

[AUL will, for the purpose of calculating the Return to Work Benefit, deduct the cost of Family Care from the Person's Current Monthly Income.]

TERMINATION: The Family Care Benefit will terminate the earlier of:

- 1) the date the Person is no longer [receiving a Return to Work Benefit] [and] [participating in an approved AUL Vocational Rehabilitation Program];
- 2) the care or supervision no longer meets the definition of Family Care;[
- 3) the date the Person's Current Monthly Income, before the deduction of the Family Care Benefit, equals or exceeds [60%-80%] of his Indexed Pre-Disability Earnings;]
- 4) the date the maximum Family Care Benefit has been satisfied; or
- 5) the date the Person is no longer incurring an expense for Family Care.]

SECTION 19 - SUPPLEMENTAL DISABILITY BENEFIT

[ACTIVITIES OF DAILY LIVING (ADL) mean:

- 1) BATHING - washing oneself by sponge bath; or in either a tub or shower, including the task of getting into and out of the tub or shower.
- 2) DRESSING - putting on and taking off all items of clothing and any necessary braces, fasteners, or artificial limbs.
- 3) TOILETING - getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- 4) TRANSFERRING - moving into and out of a bed, chair, or wheelchair.
- 5) MOBILITY - the ability to walk or wheel on a level surface from one room to another with or without the assistance of equipment.
- 6) CONTINENCE - the ability to maintain control of bowel or bladder function; or, when unable to maintain control of bowel or bladder functions, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag).
- 7) EATING - feeding oneself by getting food into the body from a receptacle (such as a plate, cup, or table).

ADL losses that existed prior to the Person's Effective Date of Insurance will not be covered.

COGNITIVE IMPAIRMENT means the Person has a deterioration or loss in intellectual capacity, resulting from injury, sickness, Alzheimer's disease or similar forms of irreversible dementia and the Person needs another person's active help or verbal guidance for his or her own protection or for the protection of others. The deterioration or loss will be based on clinical evidence and/or clinical tests, according to generally accepted medical standards, that reliably measure the impairment. Cognitive Impairments that existed prior to the effective date of the Person's coverage will not be covered.

STAND-BY HELP means the Person requires hands-on (active) help from another person with all or most of his activity.

TERMINAL ILLNESS means a diagnosed illness that, according to generally accepted medical standards, is expected to result in death within [6-18] months.

SUPPLEMENTAL DISABILITY BENEFIT: AUL will pay the Person an additional Supplemental Disability Benefit equal to [10%-20%] of the Person's Basic Monthly Earnings, not to exceed [\$1,500-\$3,000] per month, if the Person:

- 1) is Totally Disabled due to the Person's Sickness or Injury; and
- 2) is continuously unable to perform two or more Activities of Daily Living (ADL), without Stand-by Help; or
- 3) has a Cognitive Impairment; or
- 4) has a Terminal Illness.

TERMINATION: The Supplemental Disability Benefit will terminate the EARLIER of:

- 1) the date the Person is no longer eligible to receive a Supplemental Disability Benefit; or
- 2) the date the Monthly Benefit payments end for the Person under the policy.]

SECTION 20 - EDUCATION EXPENSE BENEFIT

[ELIGIBLE STUDENT means the Person's unmarried dependent Child(ren) who are less than [24-26] years of age; and attending an accredited post-secondary school beyond the 12th grade level on a full-time basis.

EDUCATION EXPENSE BENEFIT: If the Person is Disabled and receiving a Monthly Benefit under the policy, the Person will receive a monthly Education Benefit in the amount of [\$200-\$400] for each Child that is an Eligible Student, to a combined monthly maximum of [\$500-\$1,500]. Education Benefits are in addition to the Person's Monthly Benefit under the policy.

The Education Expense Benefit will be payable between school terms as long as the Eligible Student is enrolled for the next scheduled school term.

TERMINATION: Education Benefits will stop at the earliest of:

- 1) the date the Child is no longer an Eligible Student; or
- 2) any other date the Person's Monthly Benefits would stop in accordance with the policy.]

[SECTION 21 - 401(k), 403(b) OR 457 CONTRIBUTION BENEFIT

All other provisions under the policy apply to this Section, unless modified in this Section.

[401(k), 403(b) or 457 CONTRIBUTION BENEFIT: If a Person is receiving Monthly Benefit payments [and has been a participant in the Policyholder's 401(k), 403(b) or 457 plan for at least 3 months prior to the Person's Disability], AUL will pay the Policyholder an extra benefit to be deposited into the Person's 401(k), 403(b) or 457 plan on the Person's behalf.]

[401(k), 403(b) or 457 CONTRIBUTION BENEFIT: If a Person has been insured under the policy for at least [3-12] consecutive months just prior to the Person's date of Disability, and the Person has been Disabled for at least [3-12] consecutive months] following the Elimination Period, AUL will pay the Policyholder an extra benefit to be deposited into the Person's 401(k), 403(b) or 457 plan on the Person's behalf.]

BENEFIT AMOUNT: AUL will pay the Person's Policyholder [1% to 10%] of the Person's Basic Monthly Earnings, not to exceed the maximum contribution allowable by law.

If the Person is Partially Disabled the benefit will be based on the percentage of income the Person is losing due to the Person's Disability, according to the following steps:

- 1) subtract the Person's Current Monthly Income from the Person's Indexed Pre-Disability Earnings;
- 2) divide the answer in Step 1 by the Person's Indexed Pre-Disability Earnings. This is the Person's percentage of lost earnings; and
- 3) multiply the Person's 401(k), 403(b) or 457 monthly benefit by the percent of lost earnings calculated in Step 2.

This is the amount payable to the Person's Group Policyholder for contribution into the Person's 401(k), 403(b) or 457 plan.

If the 401(k), 403(b) or 457 plan cannot accept contributions for the Person, this benefit may be paid into a flexible premium deferred annuity that is established and maintained by the Person.]

SECTION 22 - COBRA PREMIUM DISABILITY BENEFIT

[All other provisions under the policy apply to this Section, unless modified in this Section.]

COBRA means the federal Consolidated Omnibus Budget Reconciliation Act of 1985 and any subsequent amendments.

COBRA MEDICAL COVERAGE means the continuation of Medical Coverage under the Policyholder's plan as provided for under the Consolidated Omnibus Budget Reconciliation Act (COBRA).

MEDICAL COVERAGE means coverage provided under the Policyholder's health or medical plan that pays for the Person's medical, hospital or surgical expenses.

COBRA PREMIUM DISABILITY BENEFIT: If the Person is Totally Disabled and receiving a Monthly Benefit under the policy, the Person will also receive a COBRA Premium Disability Benefit provided he meets all the following requirements:

- 1) he has been continuously Disabled for the longer of:
 - a) the Elimination Period; or
 - b) 30 consecutive days;
- 2) he is Totally Disabled;
- 3) he is receiving a Monthly Benefit under the policy;
- 4) his employment with the Policyholder has terminated; and
- 5) he is paying premiums for COBRA Medical Coverage under the Policyholder's plan.

Benefits under this provision will begin the day after the Person satisfies all of the above requirements.

COBRA PREMIUM DISABILITY BENEFIT AMOUNT: AUL will pay the Person an additional monthly benefit, equal to the LESSER of:

- 1) the amount of the monthly premium the Person must pay for COBRA Medical Coverage for himself only, or
- 2) [\$100][\$200][\$300][\$400][\$500].

The Person's benefit payment, as described above, will not be reduced by any Other Income Benefits.

If the Person is eligible to receive this benefit for less than one (1) month, AUL will pay the Person 1/30th of the benefit for each day he is Totally Disabled.

The Person must submit proof, in a form acceptable to AUL, of COBRA Medical Coverage premiums that the Person is paying for his coverage only.

TERMINATION: The COBRA Premium Benefit will terminate the EARLIER of:

- 1) the date the Person is no longer receiving or is no longer eligible to receive a Monthly Benefit under the policy;
- 2) the date the Person is no longer Totally Disabled;
- 3) the end of the COBRA Medical Coverage period, not to exceed 18 months;
- 4) the last day of the period for which the Person qualifies for COBRA Medical Coverage; or
- 5) the date the Person fails to give AUL the required proof that he is paying premiums for COBRA Medical Coverage.]

SECTION 23 - SPOUSE DISABILITY BENEFIT

[All other provisions under the policy apply to this Section, unless modified in this Section.]

ACTIVITIES OF DAILY LIVING (ADL) mean:

- 1) BATHING – washing oneself by sponge bath; or in either a tub or shower, including the task of getting into and out of the tub or shower.
- 2) DRESSING – putting on and taking off all items of clothing and any necessary braces, fasteners, or artificial limbs.
- 3) TOILETING – getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- 4) TRANSFERRING – moving into and out of a bed, chair, or wheelchair.
- 5) MOBILITY – the ability to walk or wheel on a level surface from one room to another with or without the assistance of equipment.
- 6) CONTINENCE – the ability to maintain control of bowel or bladder function; or, when unable to maintain control of bowel or bladder functions, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag).
- 7) EATING – feeding oneself by getting food into the body from a receptacle (such as a plate, cup, or table).

ADL losses that existed prior to the effective date of the Spouse's coverage will not be covered.

COGNITIVELY IMPAIRED means the Spouse has a deterioration or loss in intellectual capacity, resulting from injury, sickness, Alzheimer's disease or similar forms of irreversible dementia and the Spouse needs another person's active help or verbal guidance for his own protection or for the protection of others. The deterioration or loss will be based on clinical evidence and/or clinical tests, according to generally accepted medical standards, that reliably measure the impairment. Cognitive Impairments that existed prior to the effective date of the Spouse's coverage will not be covered.

[DOMESTIC PARTNER means an adult of the same or opposite sex who has an emotional physical and financial relationship with the Person, similar to that of a Spouse, as evidenced by the following facts, based on documents furnished by the Person:

- 1) the Person and the Domestic Partner share financial responsibility for a joint household and intend to continue an exclusive relationship indefinitely;
- 2) the Person and the Domestic Partner each are at least 18 years of age;
- 3) the Person and the Domestic Partner are both mentally competent to enter into a binding contract;
- 4) the Person and the Domestic Partner share a residence and have done so for at least 12 months;
- 5) neither the Person nor the Domestic Partner are married to or legally separated from anyone else;
- 6) the Person and the Domestic Partner are not related to one another by blood closer than would bar marriage; and
- 7) neither the Person nor the Domestic Partner is a domestic partner of anyone else.]]

SECTION 23 - SPOUSE DISABILITY BENEFIT

[DISABLED, for purposes of this benefit only, means AUL has determined the Spouse is:

- 1) continuously not able to perform two or more Activities of Daily Living; or
- 2) Cognitively Impaired.

The Spouse will be considered unable to perform an Activity of Daily Living if the task cannot be performed safely without Stand-By Help.

AUL may require the Spouse to be examined by a Physician, other medical practitioner, or vocational expert of AUL's choice. AUL will pay for this examination. AUL can require an examination as often as it is reasonable to do so. AUL may also require the Spouse to be interviewed by AUL's authorized representative. Failure to comply with these requests may result in denial or termination of benefits.

ELIMINATION PERIOD, for purposes of this benefit only, means a period of consecutive days of Disability for which no benefit is payable. The Elimination Period for Spouse Disability Benefits is [90-730] days. The Elimination Period begins on the first day the Spouse is Disabled. Spouse Disability Benefits begin the day after the Elimination Period.

MENTAL ILLNESS means a psychiatric or psychological condition classified in the *Diagnostic and Statistical Manual of Mental Health Disorders (DSM)*, published by the American Psychiatric Association, most current as of the start of a Disability. Such disorders include, but are not limited to, psychotic, emotional or behavioral disorders, or disorders related to stress or to substance abuse or dependency. If the *DSM* is discontinued or replaced, these disorders will be those classified in the diagnostic manual then used by the American Psychiatric Association as of the start of a Disability.

STAND-BY HELP means the Spouse requires hands-on (active) help from another person with all or most of the activity.

SPOUSE DISABILITY BENEFIT: The Person's Spouse is eligible for this coverage. If the Spouse becomes Disabled after the Spouse's effective date of coverage under this benefit, the Spouse may be eligible to receive a Spouse Disability Benefit.

The Person's Spouse will become insured for Spouse Disability Benefit coverage on the LATER of:

- 1) the date the Person's insurance becomes effective under the policy; or
- 2) the date he becomes the Person's Spouse.

Spouse Disability Benefit coverage for a Spouse will end on the EARLIEST of the following dates:

- 1) the date the Person's insurance under the policy terminates;
- 2) the date the Spouse is no longer eligible for this benefit;
- 3) the date the policy terminates;
- 4) the date the Spouse Disability Benefit is no longer provided under the policy; or
- 5) the end of the maximum period of payment for the Spouse Disability Benefit.]

SECTION 23 - SPOUSE DISABILITY BENEFIT

[The Spouse Disability Benefit will become payable when AUL receives proof that the Spouse has:

- 1) been continuously Disabled throughout the Elimination Period, and
- 2) is under the Regular Attendance of a Physician.

When AUL approves the Spouse's claim AUL will send a payment to the Spouse at the end of each month for any period for which AUL is liable.

If the Spouse is eligible to receive the Spouse Disability Benefit for less than one month, AUL will send to the Spouse 1/30th of this monthly benefit for each day of Disability.

The Spouse Disability Benefit payment is [\$1,000][\$1,500][\$2,000][\$2,500][\$3,000] per month.

The Spouse Disability Benefit payment will not be reduced by any income the Person or the Spouse receives from other sources because of the Person's or the Spouse's Disability.

The lifetime maximum period of payment for the Spouse Disability Benefit is limited to [2 years][3 years].

GENERAL EXCLUSIONS: The policy does not cover any Disability caused by, contributed to by, or resulting from:

- 1) participation in war or any act of war, declared or undeclared;
- 2) active participation in a riot;
- 3) attempted suicide, regardless of mental capacity;
- 4) attempted or actual self-inflicted bodily injury or self destruction, including but not limited to the voluntary inhaling or taking of:
 - a) poison; and
 - b) toxic fumes;
- 5) the voluntary use of illegal drugs;
- 6) the intentional taking of over the counter medication not in accordance with recommended dosage and warning instructions;
- 7) the intentional misuse of prescription drugs;
- 8) the commission of or attempt to commit a criminal act under relevant state law;
- 9) Cosmetic Surgery. However, Cosmetic Surgery will be covered when it is due to:
 - a) reconstructive surgery incidental to, or follows surgery resulting from, trauma, infection or other diseases of the involved part; or
 - b) congenital disease or anomaly that has resulted in a functional defect;
- 10) a Person or Spouse being legally intoxicated as defined by the law of the jurisdiction in which the incident occurs;
- 11) any event that occurs while a Person or Spouse is incarcerated in a penal or correctional institution;
- 12) participation in any self asphyxiation method;
- 13) Surgery that is not Medically Necessary to treat a Sickness or Injury;
- 14) traveling or flying on any aircraft operated by or under authority of military or any aircraft being used for experimental purposes;
- 15) Mental Illness; or
- 16) engaging in any illegal or fraudulent occupation, work, or employment.]

SECTION 23 - SPOUSE DISABILITY BENEFIT

[[PRE-EXISTING CONDITION EXCLUSION: [Benefits will not be paid if the Spouse's Disability begins in the first [5, 30 days][6, 12 or 24 months] following the Spouse's effective date of coverage and the Disability is caused by, contributed to by, or the result of a condition, whether or not that condition is diagnosed or is misdiagnosed, for which[:][

- 1)]the Spouse received medical treatment, consultation, care or services, including diagnostic measures, or took or was prescribed drugs or medicines in the [30 days] [3, 6, or 12 months] just prior to the Spouse's effective date of coverage[.]; or
- 2) the Spouse had symptoms for which an ordinarily prudent Person would have consulted a Physician in the [30 days] [3, 6, or 12 months] just prior to the Spouse's effective date of coverage.]

[Benefits will not be paid if the Spouse's Disability begins in the first [5, 30 days][6, 12, or 24 months] following the Spouse's effective date of coverage; and the Disability is caused by, contributed to by, or the result of a condition, whether or not that condition is diagnosed at all or is misdiagnosed, for which[:][

- 1)]the Spouse received medical treatment, consultation, care or services, including diagnostic measures, or was prescribed drugs or medicines in the [30 days][3, 6 or 12 months] just prior to the Spouse's effective date of coverage; [or][and]
- 2) [the Spouse had symptoms for which an ordinarily prudent Person would have consulted a Physician in the [30 days] [3, 6 or 12 months] just prior to the Spouse's effective date of coverage; and]
- 3) the Spouse was not Treatment Free for [3, 6, or 12] consecutive months after the Spouse's effective date of coverage.]]

TERMINATION: Spouse Disability Benefit payments will end on the EARLIEST of the following:

- 1) the end of the maximum period of payment for the Spouse Disability Benefit;
- 2) the date the Spouse is no longer Disabled under the terms of this benefit provision;
- 3) the date the Spouse fails to submit proof of continued Disability;
- 4) the date the Spouse dies.

AUL will not pay a benefit for any period of Disability during which the Spouse is incarcerated.]

SUMMARY OF GENERAL PURPOSES, COVERAGE LIMITATIONS AND CONSUMER PROTECTION

General Purposes

Residents of the District of Columbia should know that licensed insurers who sell health insurance, life insurance, and annuities in the District of Columbia are members of the District of Columbia Life and Health Insurance Guaranty Association (“Guaranty Association”).

The purpose of the Guaranty Association is to provide statutorily-determined benefits associated with covered policies and contracts in the unlikely event that a member insurer is unable to meet its financial obligations and is found by a court of law to be insolvent. When a member insurer is found by a court to be insolvent, the Guaranty Association will assess the other member insurers to satisfy the benefits associated with any outstanding covered claims of persons residing in the District of Columbia. However, the protection provided through the Guaranty Association is subjected to certain statutory limits explained under “Coverage Limitations” section, below. In some cases, the Guaranty Association may facilitate the reassignment of policies or contracts to other licensed insurance companies to keep the coverage in-force, with no change in contractual rights or benefits.

Coverage

The Guaranty Association, established pursuant to the Life and Health Guaranty Association Act of 1992 (“Act”), effective July 22, 1992 (D.C. Law 9-129; D.C. Official Code § 31-5401 *et seq.*), provides insolvency protection for certain types of insurance policies and contracts.

The insolvency protections provided by the Guaranty Association is generally conditioned on a person being 1) a resident of the District of Columbia and 2) the individual insured or owner under a health insurance, life insurance, or annuity contract issued by a member insurer, or insured under a group policy insurance contract issued by a member insurer. Beneficiaries, payees, or assignees of District insureds are also covered under the Act, even if they reside in another state.

Coverage Limitations

The Act also limits the amount the Guaranty Association is obligated to pay. The benefits for which the Guaranty Association may become liable shall be limited to the lesser of:

- The contractual obligations for which the insurer is liable or for which the insurer would have been liable if it were not an impaired or insolvent insurer; or
- With respect to any one life, regardless of the number of policies, contracts, or certificates:
 - \$300,000 in life insurance death benefits for any one life; including net cash surrender or net cash withdrawal values;
 - \$300,000 in the present value of annuity benefits, including net cash surrender or net cash withdrawal values;
 - \$300,000 in the present value of structured settlement annuity benefits, including net cash surrender or net cash withdrawal values;
 - \$300,000 for long-term care insurance benefits;
 - \$300,000 for disability insurance benefits;
 - \$500,000 for basic hospital, medical, and surgical insurance, or major medical insurance benefits;
 - \$100,000 for coverage not defined as disability insurance or basic hospital, medical and surgical insurance or major medical insurance or long term care insurance including any net cash surrender and net cash withdrawal values.

In no event is the Guaranty Association liable for more than \$300,000 in benefits with respect to any one life (\$500,000 in the event of basic hospital, medical and surgical insurance or major medical insurance).

Additionally, the Guaranty Association is not obligated to cover more than \$5,000,000 for multiple non-group policies of life insurance with one owner regardless of the number of policies owned.

Exclusions Examples

Policy or contract holders are not protected by the Guaranty Association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was domiciled in a state whose guaranty association law protects insureds that live outside of that state);
- Their insurer was not authorized to do business in the District of Columbia; or
- Their policy was issued by a charitable organization, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company, an insurance exchange, a non-profit hospital or medical service organization, a health maintenance organization, or a risk retention group.

The Guaranty Association also does not cover:

- Any policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk;
- Any policy of reinsurance (unless an assumption certificate was issued);
- Any plan or program of an employer or association that provides life, health, or annuity benefits to its employees or members and is self-funded;
- Interest rate guarantees which exceed certain statutory limitations;
- Dividends, experience rating credits or fees for services in connection with a policy;
- Credits given in connection with the administration of a policy by a group contract holder; or
- Unallocated annuity contracts.

Consumer Protection

To learn more about the above referenced protections, please visit the Guaranty Association's website at www.dclifega.org. Additional questions may be directed to the District of Columbia Department of Insurance, Securities and Banking (DISB) and they will respond to questions not specifically addressed in this disclosure document.

Policy or contract holders with additional questions may contact either:

**District of Columbia
Department of Insurance Securities
And Banking
810 First Street, N.E., Suite 701
Washington, DC 20002
(202) 727-8000**

**District of Columbia
Life and Health Guaranty
Association
1200 G Street, N.W.
Washington, DC 20005
(202) 434-8771**

Pursuant to the Act (D.C. Official Code § 31-5416), insurers are required to provide notice to policy and contract holders of the existence of the Guaranty Association and the amounts of coverage provided under the Act. Your insurer and agent are prohibited by law from using the existence of the Guaranty Association and the protection it provides to market insurance products. You should not rely on the insolvency protection provided under the Act when selecting an insurer or insurance product. If you have obtained this document from an agent in connection with the purchase of a policy or contract, you should be aware that such delivery does not guarantee that the Guaranty Association would cover your policy or contract. Any determination of whether a policy or contract will be covered will be determined solely by the coverage provisions of the Act.

This disclosure is intended to summarize the general purpose of the Act and does not address all the provisions of the Act. Moreover, the disclosure is not intended and should not be relied upon to alter any rights established in any policy or contract or under the Act.

SERFF Tracking #:	AULD-130228196	State Tracking #:		Company Tracking #:	3802 FORM
State:	District of Columbia	Filing Company:	American United Life Insurance Company		
TOI/Sub-TOI:	H11G Group Health - Disability Income/H11G.004 Other				
Product Name:	Worksite Disability				
Project Name/Number:	/				

Rate Information

Rate data does NOT apply to filing.

State:	District of Columbia	Filing Company:	American United Life Insurance Company
TOI/Sub-TOI:	H11G Group Health - Disability Income/H11G.004 Other		
Product Name:	Worksite Disability		
Project Name/Number:	/		

Supporting Document Schedules

Satisfied - Item:	Statement of Variables
Comments:	
Attachment(s):	DC Statement of Variables - 08-31-15.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Forms list
Comments:	
Attachment(s):	DC Forms List 08-31-15.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	OneAmerica Worksite Dis Actuarial Memorandum 8-28-2015_DC (2).pdf
Item Status:	
Status Date:	

Satisfied - Item:	Certificate of Readability
Comments:	
Attachment(s):	READCERT2.pdf
Item Status:	
Status Date:	

DISTRICT OF COLUMBIA WORKSITE DISABILITY STATEMENT OF VARIABLES

Unless otherwise noted in the Specific Variables, all bracketed text, including optional features/provisions on the forms and within this Statement of Policy and Certificate Variables, is variable only to the extent that it may be included or omitted according to a Policyholder's plan of insurance. Within any provision in the Policy and Certificate, percentages, amounts and time frames will vary.

Titles of specific Acts or Laws may be modified as appropriate.

Letters and numbers as they appear in a list, punctuation or words such as "and" or "or" will be included or omitted as needed in order to make the statement or list read correctly.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
Title Page	G 3802 GC 3802	Title Page	Policyholder Name	Self-explanatory variable – bracketed to support case specific information.
			Insured Person, Certificate Number, Policy Number, Effective Dates	Self-explanatory variable fields for each insured person and/or group, allowing for the noted information to be updated as applicable.
	G 3802		Policy Month info	Second option is included to allow for a group whose coverage begins in the middle of the month.
			Annual Company Meeting info	Bracketed to allow for a change in date or venue.
	G 3802 GC 3802		Names and Titles of AUL’s Officers signing contract	Bracketed for ease in updating as need arises whenever there is a change in an officer or his title – new name and/or title would be inserted and old name and/or title would be deleted.
2-3	G 3802.1 GC 3802.1	Table of Contents	Table of Contents	Benefits may or may not appear on page depending on election of the Policyholder; all system generated fields. Also allows for insertion of new benefit options in the future w/o renumbering this page – new benefit options would be filed in their entirety.
4	G 3802.2 GC 3802.2	Section 1 – Schedule of Benefits	Eligible Class	Most common Class is “All Eligible Full-Time Employees”. Policyholder may elect other class descriptions such as “Full-Time Hourly Employees” or “Full-Time Salary Employees”. Whatever group description is used would be an eligible group under applicable state laws.
			Class Number/Option	Numbers would start with 1 and run consecutively to cover the number of classes in the group.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
4 (continued)	G 3802.2 GC 3802.2 (continued)	Section 1 – Schedule of Benefits (continued)	Requirement for Full Time Employees	Bracketed items show specific Policyholder options that may be elected. Only option elected will appear in the contract. Range for number of hours is 10-2,080. All other options are shown. The last paragraph concerning Employees contracted for an entire school year would only be included with the consent of Underwriting.
			Accidental Dismemberment & Loss of Sight	The word “not” is bracketed to show whether provision is included or not. The entire provision is bracketed to move in or out of the Schedule per the Policyholder’s plan design.
			Annual Increase in Benefit (AIB)	The word “not” is bracketed to show whether provision is included or not. Amounts bracketed to show Policyholder options – no amount would show if option not elected. All ranges/options are shown.
5			Basic [Monthly][Weekly] Earnings Description	“Monthly” or “Weekly” option would appear in the Certificate depending on the type of coverage elected by the Policyholder. Both options could appear in the Policy if the Policyholder elects both short term and long term plans. All ranges/options are shown. Only options elected by the Policyholder would appear in the contract.
			COBRA Premium Disability Benefit/Continuation of Personal Insurance under FMLA/Continuation of Personal Insurance During a Leave of Absence, Sabbatical and Temporary Layoff /Continuation of Personal Insurance During a Leave of Absence for Active Military Service/Continuity of Coverage	The word “not” is bracketed in each provision to show whether provision is included or not. Each provision is bracketed in its entirety to move in or out of the Schedule per the Policyholder’s plan design.
			Cost of Living Adjustment Benefit	The word “not” is bracketed to show whether provision is included or not. The provision is bracketed in its entirety to move in or out of the Schedule per the Policyholder’s plan design. All ranges/options are shown.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
6	G 3802.2 GC 3802.2 (continued)	Section 1 – Schedule of Benefits (continued)	Covered [Monthly][Weekly] Earnings	Bracketed to provide for both a Monthly and Weekly Benefit per the Policyholder’s election. The last phrase in item 2) would only be included if the earnings definition was for a flat benefit.
			Drug and Alcohol Limitation	The word “not” is bracketed to show whether provision is included or not. The provision is bracketed in its entirety to move in or out of the Schedule per the Policyholder’s plan design.
			Education Expense Benefit	The word “not” is bracketed to show whether provision is included or not. The provision is bracketed in its entirety to move in or out of the Schedule per the Policyholder’s plan design.
			Elimination Period/Accumulation of Elimination Period/First Day Hospital	Bracketed items show specific Policyholder options that may be elected. Separate Elimination Periods may be elected for Injury and Sickness. Only option(s) elected will appear in the contract. All ranges/options are shown. Standard EPs for Short Term plans are 0-60 day (Injury) and 7-60 day (sickness). Standard EPs for Long Term plans are 90-180 days. Policyholder may opt to not elect the Accumulation of Elimination Period provision or the First Day Hospital benefit. The First Day Hospital provision may or may not include Outpatient Surgery.
			Family Care Benefit/Family Status Change	The word “not” is bracketed in each provision to show whether provision is included or not. Each provision is bracketed in its entirety to move in or out of the Schedule per the Policyholder’s plan design.
			Guaranteed Issue Amount/Guaranteed Issue Amount for a Late Enrollee	Bracketed items show specific Policyholder options that may be elected. All ranges are indicated. Only option elected will appear in the contract.
			Individual Effective Date – Initial Employees and New Employees	Different Policyholder options are bracketed – all options are indicated. Only elected option will appear in contract.
7			Individual Reinstatement	Different Policyholder options are bracketed – all options are indicated. Only elected option will appear in contract.
			Individual Terminations	Policyholder may elect either Immediate or First of the Month option.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
7 (continued)	G 3802.2 GC 3802.2 (continued)	Section 1 – Schedule of Benefits (continued)	Initial Enrollment Period – Initial Employees and New Employees	Different Policyholder options are bracketed. Only elected options will appear in contract. Range of days is 0-90.
			Mandatory Rehabilitation Program	The word “not” is bracketed to show whether provision is included or not. The entire provision is bracketed to move in or out of the Schedule per the Policyholder’s plan design.
7-9			Maximum Benefit Duration	Options are: 65/5/70, 2 Years to Age 70, 3 Years to Age 70, 5 Year SSFRA, 10 Year SSFRA, SSFRA, Reducing Benefit Duration, and Number of weeks/years. Separate options can be elected for both Injury and Sickness. Entire options are bracketed to move in and out of the Schedule per the Policyholder’s plan design. If the group has more than one class, the Policy may contain multiple options. The Certificate will only contain the option pertaining to that class. All ranges are shown. Short Term plans will typically have a Maximum Benefit Duration of 9-52 weeks and Long Term plans will have a Maximum Benefit Duration containing an option of 2 years or more.
9			Maximum [Monthly][Weekly] Benefit	Range of \$25 0 \$25,000 is indicated. Policy could contain both a Monthly and Weekly Benefit per the Policyholder’s election. Only options elected would appear in the contract.
			Medical Treatment Benefit/ Mental Illness Limitation	The word “not” is bracketed in each provision to show whether provision is included or not. Each provision is bracketed in its entirety to move in or out of the Schedule per the Policyholder’s plan design.
			Minimum [Monthly] [Weekly] Benefit	Bracketed to show option amount ranges. Policy could contain both a Monthly and Weekly Benefit per the Policyholder’s election. All ranges/options indicated. Only options elected would appear in the contract.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
9 (continued)	G 3802.2 GC 3802.2 (continued)	Section 1 – Schedule of Benefits (continued)	Monthly Benefit	The Monthly Benefit can be calculated on an incremental, a flat amount or a percentage of salary basis. The ranges available are shown. The Policyholder may chose 1) a Maximum Monthly Benefit as elected in increments not to exceed a percentage of the Person’s Basic Monthly Earnings or 2) a benefit amount not to exceed a percentage of the Person’s Basic Monthly Earnings or 3) a flat benefit amount or 4) a percentage of salary option. The last two paragraphs concerning reducing the amount by Other Income Benefits and the Annual Increase in Benefits are both bracketed to move in or out per the Policyholder’s election. Only the benefit amounts/options elected by the Policyholder would print in the Policy and only the benefit amount/options pertaining to a particular class would print in the Certificate for that class.
10			Occupational Injury or Sickness	Entire definition is bracketed to allow item to move in or out depending on Policyholder election and plan design. Integration can either be “Non-Occupational”or “24 Hour Coverage”
			Organ Donor Transplant Benefit/Partial Disability	The word “not” is bracketed in each provision to show whether provision is included or not. Each provision is bracketed in its entirety to move in or out of the Schedule per the Policyholder’s plan design.
			Other Income Benefits	Definition would not apply, and would not appear, if the Policyholder elected a non-integrated plan with no offsets.
			Policy Month	The standard options are the first day of the month and the last day of the month. However, both the “first” and “last” day could be changed to any day of the month, depending on the Policyholder’s election. Also allow for option of inserting the actual date of the month for beginning and ending the Policy Month.
			Portability Provision	The word “not” is bracketed to show whether provision is included or not. The entire provision is bracketed to move in or out of the Schedule per the Policyholder’s plan design.
			Pre-Existing Condition Exclusion/Limitation	All options are shown and bracketed. Only elected option will appear in contract. Entire option bracketed to show that Policyholder may elect to have no Pre-Existing Condition provision included.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
10 (continued)	G 3802.2 GC 3802.2 (continued)	Section 1 – Schedule of Benefits (continued)	Recurrent Disability	The word “not” is bracketed to show whether provision is included or not. The entire provision is bracketed to move in or out of the Schedule per the Policyholder’s plan design. All ranges/options are shown. Only elected option will appear in contract.
			Residual Benefit/Return to Work/	The word “not” is bracketed in each provision to show whether provision is included or not. Each provision is bracketed in its entirety to move in or out of the Schedule per the Policyholder’s plan design.
			Scheduled Enrollment Period/Social Security Incentive/Social Security Integration	The word “not” is bracketed in each provision to show whether provision is included or not. Each provision is bracketed in its entirety to move in or out of the Schedule per the Policyholder’s plan design. All ranges/options are shown.
			Spouse Disability Benefit/Special Conditions Limitation/ Supplemental Disability Benefit	The word “not” is bracketed in each provision to show whether provision is included or not. Each provision is bracketed in its entirety to move in or out of the Schedule per the Policyholder’s plan design.
			Survivor Benefit/Advanced Survivor Benefit	Each provision is bracketed in its entirety to move in or out of the Schedule per the Policyholder’s election and plan design. All ranges/options are shown.
			Total Benefit Cap	All ranges/options are shown. Only elected option will appear in contract.
11			Total Disability Definition	All options are shown. Only option elected will appear in the contract.
			Vocational Rehabilitation Program (Voluntary)/Vocational Rehab Benefit	The word “not” is bracketed in each provision to show whether provision is included or not. Each provision is bracketed in its entirety to move in or out of the Schedule per the Policyholder’s election and plan design.
			Waiting Period	All ranges/options are shown. Only what is elected by Policyholder will appear in the contract.
			Waiver of Premium	The word “not” is bracketed in to show whether provision is included or not. The entire provision is bracketed to move in or out of the Schedule per the Policyholder’s election and plan design.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
11 (continued)	G 3802.2 GC 3802.2 (continued)	Section 1 – Schedule of Benefits (continued)	Weekly Benefit	The Weekly Benefit can be calculated on an incremental, a flat amount or a percentage of salary basis. The ranges available are shown. The Policyholder may chose 1) a Maximum Weekly Benefit as elected in increments not to exceed a percentage of the Person’s Basic Weekly Earnings or 2) a benefit amount not to exceed a percentage of the Person’s Basic Weekly Earnings or 3) a flat benefit amount or 4) a percentage of salary option. The last two paragraphs concerning reducing the amount by Other Income Benefits and the Annual Increase in Benefits are both bracketed to move in or out per the Policyholder’s election. Only the benefit amounts/options elected by the Policyholder would print in the Policy and only the benefit amount/options pertaining to a particular class would print in the Certificate for that class.
			Workplace Modification Benefit/401(k), or 403(b) or 457 Contribution Benefit	The word “not” is bracketed in each provision to show whether provision is included or not. The entire provisions are bracketed to move in or out of the Schedule per the Policyholder’s election and plan design.
12	G 3802.3 GC 3802.3	Section 2 - Definitions	Active Pay Status	Entire definition is bracketed to allow item to move in or out depending on Policyholder election and plan design.
			Active Work and Actively at Work	Language is bracketed in last two sentences of the first paragraph would only be included if the definition of Active Pay Status was also included. The range for both variables in the second sentence is 3-24 months with the standard for the first variable being 6 months and the second being 12 months. All other options are indicated and are self-explanatory.
			Annual Increase in Benefit/Any Occupation	Entire definitions are bracketed to allow items to move in or out depending on Policyholder election and plan design.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
13-20	G 3802.3/1 G 3802.3/2 GC 3802.3/1 GC 3802.3/2	Section 2 - Definitions	Basic [Monthly] [Weekly] Earnings	First three paragraphs found on Policy and Certificate forms .3/1 will always print. Only the definitions from Policy and Certificate forms .3/2 elected by the Policyholder will print. “Monthly” or “Weekly” will print for each definition depending on plan type. The range of hours is 20-50, with 40 being the standard. All other ranges and variables are indicated within the definitions. If the group has more than one class and/or type of coverage, the Policy may contain multiple earnings definitions for “all other Employee”. The Certificate will only contain the definition pertaining to the coverage of that class.
21	G 3802.3/3 GC 3802.3/3	Section 2 - Definitions	Current [Monthly][Weekly] Income	Items 1) and 2) – range is 3-11 months. The second sentence would only apply if Salary Continuance was not included as part of the Current Monthly/Weekly Income. The last two bracketed sentences in the first paragraph could only apply if the Policyholder elected a W-2 and/or K-1 Shareholders Earnings Definition. All other options are indicated within the definition.
22	G 3802.3/4 GC 3802.3/4	Section 2 - Definitions	Disability and Disabled	Definition may or may not include Partial Disability and Partially Disabled.
			Elimination Period	Two definitions are included. Each definition is bracketed in its entirety so that it may move in or out depending on the Policyholder’s election. All options within each definition are indicated.
23	G 3802.3/5 GC 3802.3/5	Section 2 - Definitions	Employee	Language in first paragraph re “1099-compensated Person” is bracketed to move in or out – would only apply if the “1099 Employee” BME/BWE earnings definition is elected by the Policyholder.
			Employer	All options are indicated within the definition.
			Employer’s Retirement Plan	Entire definition is bracketed to allow item to move in or out depending on Policyholder election and plan design. List of items is also bracketed to allow items to be eliminated without refiling the form. If additional items are added, the form would be re-filed.
24	G 3802.3/6 GC 3802.3/6	Section 2 - Definitions	Family Status Change	Entire definition is bracketed to allow item to move in or out depending on Policyholder election and plan design.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
24 (continued)	G 3802.3/6 GC 3802.3/6 (continued)	Section 2 – Definitions (continued)	Gainful Occupation	Three definitions are included. Each definition is bracketed in its entirety so that it may move in or out depending on the Policyholder’s election and plan design. All options within each definition are indicated. All options and/or ranges are indicated within each definition.
			Gross [Monthly][Weekly] Benefit	All options are indicated within each definition.
			Indexed Pre-Disability Earnings	Dates are bracketed – any date could be inserted.
25	G 3802.3/7 GC 3802.3/7	Section 2 - Definitions	Maximum Capacity	Two definitions are included. Each definition is bracketed in its entirety so that it may move in or out depending on the Policyholder’s election and plan design. All options within each definition are indicated. The range indicated in items 1) and 2) of the first definition is 1-10 years.
			Medically Necessary	Entire definition is bracketed to allow item to move in or out depending on Policyholder election and plan design.
			Monthly Benefit	Entire definition is bracketed to allow item to move in or out depending on Policyholder election and plan design. If the product is set up as a long-term benefit or if it is rated as a monthly benefit this definition will apply. The last phrase “, less Other Income Benefits” if the Policyholder elected to have on offsets in the contract.
			Non-Disabling	Entire definition is bracketed to allow item to move in or out depending on Policyholder election and plan design.
26-27	G 3802.3/8 G 3802.3/9 GC 3802.3/8 GC 3802.3/9	Section 2 - Definitions	Other Income Benefits	All options/variables are listed in the definition. Definition may be omitted if the Policyholder elects a non-integrated plan. Items 1)a)-f) and 7) on form .3/8 (page 26) are bracketed to allow them to move in or out depending on the plan design. The percentage range in item 2) is 60%-100% with 80% being the standard. Items 15) and 16) on form .3/9 (page 27) are bracketed to move in or out depending on the plan design. The standard would be to include item 15) and exclude item 16) from this list.
28	G 3802.3/10 GC 3802.3/10	Section 2 – Definitions	Outpatient Surgery	Entire definition is bracketed to allow item to move in or out depending on Policyholder election and plan design. Would only apply if First Day Hospital benefit is elected.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
28 (continued)	G 3802.3/10 GC 3802.3/10 (continued)	Section 2 – Definitions (continued)	Partial Disability and Partially Disabled	Two different definitions are included. Each definition is bracketed in its entirety to allow it to move in or out depending on Policyholder election and plan design. Only the definition elected by the Policyholder will appear in the Certificate. The Policy may contain both, if the group has multiple classes with differing plan designs. All variables and ranges are indicated in the definitions. The Policyholder may also elect to have a plan design that does not include a Partial Disability benefit.
29	G 3802.3/11 GC 3802.3/11	Section 2 - Definitions	Policyholder’s Anniversary Date	Date is bracketed – any date may be inserted.
			Pre-existing Condition	Various durations offered (also see Schedule of Benefits page) as allowed by state law and plan design. Entire definition Bracketed to allow item to move in or out depending on Policyholder election.
30	G 3802.3/12(09) GC 3802.3/12(09)	Section 2 - Definitions	Regular Job	Entire definition is bracketed to allow item to move in or out depending on Policyholder election and plan design.
			Regular Occupation	Entire definition is bracketed to allow item to move in or out depending on Policyholder election and plan design.
			Salary Continuance	Entire definition bracketed to allow item to move in or out depending on Policyholder election and plan design.
31	G 3802.3/13 GC 3802.3/13	Section 2 - Definitions	Terminal Illness	Range is 6-18 months.
			Total Disability and Totally Disabled	Three different definitions are included. Each definition is bracketed in its entirety to allow it to move in or out depending on Policyholder election and plan design. Only the definition elected by the Policyholder will appear in the Certificate. The Policy may contain multiple definitions if the group has multiple classes with differing plan designs. All variables are indicated in the definitions.
			Treatment Free	Entire definition is bracketed to allow item to move in or out depending on Policyholder election and plan design.
			Waiting Period	Sentence starting “Part time employees will receive credit for the number of continuous days worked . . .” is bracketed to allow item to move in or out depending on the Policyholder’s election and plan design.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
31 (continued)	G 3802.3/13 GC 3802.3/13 (continued)	Section 2 – Definitions (continued)	Weekly Benefit	Entire definition is bracketed to allow item to move in or out depending on the Policyholder’s election and plan design. If the product is set up as a short-term benefit this definition will appear. The last phrase “, less Other Income Benefits” will not appear if the Policyholder elected to have on offsets in the contract.
32	G 3802.4 GC 3802.4	Section 3 – Eligibility and Individual Effective Date	Late Enrollee	The last sentence can be omitted with Underwriting approval.
			Eligibility Date/Initial Enrollment Period	Self-explanatory variable fields. All variables are shown. Only variables elected by Policyholder will appear.
33	G 3802.4/1 GC 3802.4/1	Section 3 – Eligibility and Individual Effective Date	Scheduled Enrollment Period	Entire section is bracketed to allow it to move in or out depending on the Policyholder’s election and plan design. Items b), c), d) and e) are bracketed to allow each item to move in or out depending on the Policyholder’s election.
34	G 3802.5 GC 3802.5	Section 3 – Eligibility and Individual Effective Date	Individual Effective Date of Insurance - New Employees	Four options are listed for New Employees and each is bracketed in its entirety. The options are 1) the date of the request (immediate); 2) first day of the next Coverage Month; 3) first day of the Coverage Month following the Scheduled Enrollment Period; and 4) the Policyholder’s Anniversary Date following the Scheduled Enrollment Period. While multiple options may appear in the Policy if a group has multiple classes, only the option elected by the Policyholder will appear in the Certificate for each class.
			Initial or New Employee not Actively at Work during his Initial Enrollment Period	All variables are listed in the second paragraph are self-explanatory. Only variables elected by Policyholder will appear.
35	G 3802.5/1 GC 3802.5/1	Section 3 – Eligibility and Individual Effective Date	Individual Effective Date of Insurance - Late Enrollee	Two separate options for this provision are included and each is bracketed in its entirety. Only the option elected by the Policyholder will appear. The first option includes four variables in the first paragraph. These are self explanatory and only the option elected by the Policyholder will appear.
			Coverage in Excess of Guaranteed Issue Amount	All variables are shown in the first paragraph are self-explanatory. Only the variable elected by the Policyholder will appear.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
36-39	G 3802.6 G 3802.6/1 G 3802.6-1 G 3802.6-1/1 GC 3802.6 GC 3802.6/1 GC 3802.6-1 GC 3802.6-1/1	Section 4 – Change in Insurance	Effective Date of Change	<p>There are 6 options:</p> <ol style="list-style-type: none"> 1) Immediate and AIB; 2) First of the Coverage Month and AIB; 3) Policyholder’s Anniversary and AIB; 4) Immediate and no AIB; 5) First of the Coverage Month and no AIB; 6) Policyholder’s Anniversary and no AIB; <p>All sections are bracketed in their entirety to allow sections to move in or out depending on the Policyholder’s election and plan design. Only section(s) elected by the Policyholder will appear. Language in 2nd paragraph of each section stating “(except a Person on an Employer-approved leave of absence other than for Sickness or Injury)” would only be included if elected by the Policyholder (continued coverage during leave of absence). The last paragraph on each of these pages would only appear if applicable.</p>
40	G 3802.7 GC 3802.7	Section 4 – Changes in Insurance	Changing Options	Entire provision is bracketed to allow item to move in or out depending on the Policyholder’s election and plan design. All variables (re Evidence of Insurability) are indicated and are self-explanatory.
			Decreasing the Monthly/Weekly Benefit Amount	Options in the first paragraph are Policyholder elections and only elected option will appear. Bracketed language in the second paragraph would not appear if the Changing Options provision on this page was omitted. The last paragraph on this page would only appear if applicable.
41	G 3802.8 GC 3802.8	Section 4 – Change in Insurance	Annual Increase in Benefit/ Automatic GIB Provisions	Each section is bracketed to allow item to move in or out depending on the Policyholder’s election and plan design. Variables in item 3) of the AIB provision are self-explanatory. Optional language for and Automatic AIB provision is also included within this provision. The last paragraph on this page would only appear if applicable.
42	G 3802.8/1 GC 3802.8/1	Section 4 – Change in Insurance	Coverage Amounts Requested in Excess of the Annual Increase in Benefit	Entire provision is bracketed to allow item to move in or out depending on the Policyholder’s election and plan design.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
43	G 3802.9 GC 3802.9	Section 4 – Changes in Insurance	Family Status Change	Entire provision is bracketed to allow it to move in or out depending on the Policyholder’s election and plan design. “Person” and “Late Enrollee” options are variable depending on the election of the Policyholder. Day range in f) is 30–120 days with the standard being 90. Paragraph 3 is bracketed so that it may move in or out depending on plan design. All other variables are indicated and are self-explanatory. The last paragraph may only be omitted with underwriting approval.
44-45	G 3802.10 G 3802.10/1 GC 3802.10 GC 3802.10/1	Section 5 – Terminations	Individual Termination	Item 2) allows the Policyholder to elect terminations to occur either immediately or at the end of the coverage month following the date of termination. Items 6)c) and 7)c) – continued coverage during leave of absence or sabbatical and 6)d) and 7)d) – continued coverage during layoff and item 8 – the date a Person enters Military Service are all bracketed to allow the items to move in or out depending on the Policyholder’s election and plan design. All other variables are included in the contract and are self-explanatory.
			Termination of the Policy	Items 5) and 6) - The 31-day notice is standard and bracketed to allow changes per state specific variables as required by laws & Policyholder requests for longer periods. Range is 31 days - 90 days.
46	G 3802.11 GC 3802.11	Section 5 – Terminations	Extended Benefit	Item 1) of the second paragraph is bracketed and would be omitted if the plan is non-integrated (no offsets) and does not include partial disability. Item 9) of the second paragraph is bracketed to allow them to move in or out depending on the Policyholder’s election and plan design. All other variables and ranges are indicated and are self-explanatory.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
47-48	G 3802.12 G 3802.12/1 GC 3802.12 GC 3802.12/1	Section 5A – Terminations	Individual Reinstatement	Entire provision is bracketed so that it me be omitted depending upon the Policyholder’s election and plan design. The 31-day notice in the first paragraph is standard and bracketed to allow changes per state specific variables as required by laws & employer requests for longer periods. Range is 31 days - 90 days. Items 1) c) and d) are bracketed to allow item to move in or out depending on the Policyholder’s election and plan design. Only the option elected will appear. Time variables in these two sections are self-explanatory. Item 3) a) indicates an option of either immediate or first of the Coverage Month. Item 3) is also bracketed in its entirety. It would not apply if the Portability Privilege was not elected by the Policyholder. Only the option elected by Policyholder will appear. Item 5) will, as a standard, print but is bracketed to allow for a change in language without refiling due to a change in law.
49	G 3802.13 GC 3802.13	Section 5B – Continuation of Personal Insurance Under FMLA	Entire Provision	Entire provision is bracketed so that it me be omitted depending upon the Policyholder’s election and plan design. Variables in item 3) of the second paragraph are self-explanatory. Item 9) of the third paragraph is bracketed to move in and out and will only appear if Policyholder does not elect cont. during a leave of absence for military duty. Field is system generated.
50-51	G 3802.13-1 G 3802.13-1/1 GC 3802.13-1 GC 3802.13-1/1	Section 5C – Continuation of Personal Insurance During a Leave of Absence, Sabbatical or Temporary Layoff	Heading and Footer	Provision is bracketed so that may include continuation during a Leave of Absence, Sabbatical, and/or Temporary Layoff depending upon the Policyholder’s election. Entire provision bracketed so that it me be omitted depending upon the Policyholder’s election and plan design.
			Leave of Absence	Definition may or may not include temporary layoffs and Sabbaticals depending upon the Policyholder’s election and plan design.
			Continuation of Personal Insurance During a Sabbatical	The entire provision is bracketed to allow it to move in or out depending on the Policyholder’s election and plan design. The Policyholder can elect for benefit to be continued to the end of the Policyholder’s current school contract year in which the sabbatical began or a specified time period. All variables are included and are self-explanatory.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
50-51 (continued)	G 3802.13-1 G 3802.13-1/1 GC 3802.13-1 GC 3802.13-1/1 (continued)	Section 5C – Continuation of Personal Insurance During a Leave of Absence, Sabbatical or Temporary Layoff (continued)	Continuation of Personal Insurance While Temporarily Laid Off	Entire provision is bracketed to allow it to move in or out depending on the Policyholder's election and plan design. The Policyholder can elect for benefit to be continued to the end of the coverage month or a specified time period. All variables are included and are self-explanatory.
			Continuation of Personal Insurance Under a Leave of Absence	The entire provision is bracketed to allow it to move in or out depending on the Policyholder's election and plan design. The Policyholder can elect for benefit to be continued to the end of the coverage month or a specified time period. Variables are self-explanatory. Item 9) will only appear if Policyholder does not elect cont. during a leave of absence for military duty. All other variables are listed and are self-explanatory.
52	G 3802.13-2 GC 3802.13-2	Section 5D – Continuation of Personal Insurance During a Leave of Absence for Active Military Service	Entire Provision	The entire provision is bracketed to allow it to move in or out depending on the Policyholder's election and plan design. The variables in item 2) of the third paragraph are self-explanatory.
53	G 3802.14 GC 3802.14	Section 6 – Premium Payment	Premium Payments	Last sentence of third paragraph would not appear in the Policy or Certificate if Waiver of Premium was not elected.
			Premium Rates	Item 1) – 31-day advance notice of rate change is standard, but varies according to various state laws and Policyholder-negotiated longer periods of time with approval from underwriter; system generated by state of issue. Range is 31 days - 100 days. Item 3) - Percentage is bracketed for ease in change due to state law requirements and/or company procedural changes. Range is 10%-25%.
			Waiver of Premium Benefit	Two variations are available and are reflected within the provision. Only the provision elected will appear in the Certificate. The last two sentences in the first variation are bracketed to move in or out depending on the Policyholder's election and plan design.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
55	G 3802.15/1(09) GC 3802.15/1(09)	Section 7 – General Policy Provisions	Grace Period	Number of days bracketed to allow for state variations as necessary, per state law. Range is 31-60 days with 31 days as standard.
			Insurance Fraud	Standard provision, bracketed for ease in making state required variations and/or company procedural changes.
56	G 3802.15/2 GC 3802.15/2	Section 7 – General Policy Provisions	Rehabilitation	Entire provision bracketed to allow item to move in or out depending on the Policyholder's election and plan design.
57	G 3802.16 GC 3802.16	Section 7A – Claim Procedures	Claim Forms for Proof of Loss	Providing claim form – Range of days in the first paragraph is 15-20 days, with 15 days being the standard. The range of days in the second paragraph is 90-365, with 90 being the standard. Phrase [, except in the absence of legal capacity] is included when required by state law - system generated by state of issue. The range of days in the third paragraph is 30-180 days with 30 days being the standard.
58	G 3802.16/1 GC 3802.16/1	Section 7A – Claim Procedures	Legal Action	Items 1) & 3) - 60 days/3 yrs are bracketed to allow for state variations; fields are system generated. Ranges are 60-90 days/3-6 years. Item 2) is bracketed to move in or out as allowed by state law.
			Payment of Claims	Range is indicated as \$1,000-\$10,000. Our standard is \$10,000.
59	G 3802.16/2(09) GC 3802.16/2(09)	Section 7A – Claim Procedures	Right to Appeal	Provision is bracketed to allow state variations as necessary, per state law. State contact info bracketed to allow for change of address, phone or fax if required.
			Right of Recovery	Provision is bracketed to allow state variations as necessary, per state law.
60	G 3802.16/3(09) GC 3802.16/3(09)	Section 7A – Claim Procedures	Subrogation Rights	Provision is bracketed to allow state variations as necessary, per state law. Provision can also be removed.
			Arbitration	Provision is optional and is bracketed to allow state variations as necessary, per state law if elected by the Policyholder.
61	G 3802.17 GC 382.17	Section 8 – Insuring Provisions	Monthly/Weekly Benefit Payments	All variables are indicated and are self-explanatory. The options re satisfaction of the Elimination Period: Total Disability only = no Residual benefit; Total Disability, Partial Disability or combination of both = Residual benefit. The last two sentence of the first paragraph would only appear if the Policyholder elected to have the “First Day Hospital”. The “First Day Hospital” benefit may or may not include Outpatient Surgery.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
61 (continued)	G 3802.17 GC 382.17 (continued)	Section 8 – Insuring Provisions (continued)	Medical Treatment Benefit	Entire provision is bracketed to allow item to move in or out depending on the Policyholder’s election and plan design. Ranges in items 1) and 2) of the first paragraph and also the last paragraph are all \$50-\$500.
			Prorating of Monthly Benefit	Three options are available. All are bracketed in their entirety and only the option that fits the plan design of the group/class will appear. All variables are indicated and are self-explanatory.
			Reductions to the Monthly/Weekly Benefit	Entire provision is bracketed to allow item to move in or out depending on the Policyholder’s election and plan design. If the Plan is non-integrated (no offsets) this provision would not appear. All variables are included and are self-explanatory.
62	G 3802.17/1 GC 382.17/1	Section 8 – Insuring Provisions	Monthly/Weekly Benefits	Two different calculations are provided. Both are bracketed in their entirety. Only one will be used – will depend on the method of integration. All variables are included and are self-explanatory.
63	G 3802.18 GC 382.18	Section 8 – Insuring Provisions	Social Security Incentive	Entire provision is bracketed to allow item to move in or out depending on the Policyholder’s election and plan design. All variables are included and are self-explanatory.
64	G 3802.19 GC 382.19	Section 8 – Insuring Provisions	Lump Sum Payment	Entire provision is bracketed to allow item to move in or out depending on the Policyholder’s election and plan design. If the Plan is non-integrated (no offsets) this provision would not appear.
			Application for Other Income Benefits	Entire provision is bracketed to allow item to move in or out depending on the Policyholder’s election and plan design. Paragraphs 3 and 4 apply to a plan with either monthly or weekly benefits and paragraphs 5-7 apply to a plan with monthly benefits only. These sections are bracketed to allow them to move in and out. Only the section that applies to the class would appear in the Certificate while the Policy could contain both sections. If the Plan is non-integrated (no offsets) this provision would not appear.
66	G 3802.21 GC 382.21	Section 8 - Insuring Provisions	Minimum Monthly/Weekly Benefit	Entire provision is bracketed to allow item to move in or out depending on the Policyholder’s election and plan design. All variables are included and are self-explanatory.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
66 (continued)	G 3802.21 GC 382.21 (continued)	Section 8 - Insuring Provisions (continued)	Cost of Living Adjustment Freeze	Entire provision is bracketed to allow item to move in or out depending on the Policyholder's election and plan design. All variables are included and are self-explanatory. If the Plan is non-integrated (no offsets) this provision would not appear.
			Termination of the Monthly/Weekly Benefit	Item 1) would be omitted if the Plan is non-integrated (no offsets) and does not include Partial Disability. All other variables and ranges are included and are self-explanatory.
			Accumulation of Elimination Period	Three options are included and all are bracketed in their entirety so that only the option elected by the Policyholder will appear. This benefit only applies to plans that have an Elimination Period of 30 days or more. "Total Disability" would apply if there was no Residual Benefit included. If there is a Residual Benefit, this provision would refer to "Disability". All other variables and ranges are included and are self-explanatory.
67	G 3802.22 GC 382.22	Section 8 - Insuring Provisions	Residual Benefit	Entire provision is bracketed to allow item to move in or out depending on the Policyholder's election and plan design.
			Recurrent Disability	Entire provision is bracketed to allow item to move in or out depending on the Policyholder's election and plan design. All variables and ranges are included and are self-explanatory.
68	G 3802.23 GC 382.23	Section 8 - Insuring Provisions	Presumptive Disability/ Benefits While Partially Disabled	Entire provisions are bracketed to allow items to move in or out depending on the Policyholder's election and plan design. All variables and ranges are included and are self-explanatory.
			Return to Work Benefit	There are three options available. Two options are connected to the Maximum Benefit Duration and the third is an "unlimited" option. All variables and ranges are included and are self-explanatory.
69	G 3802.23/1 GC 3802.23/1	Section 8 - Insuring Provisions	Partial Disability	There are three benefit calculations available. More than one definition may appear in the Policy but only calculation that is applicable to the class will print in the Certificate. "Other Income Benefit" language bracketed to allow for removal depending on plan design. Entire provision is bracketed to allow item to move in or out depending on the Policyholder's election and plan design. All variables and ranges are included and are self-explanatory.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
70	G 3802.24 GC 382.24	Section 8 - Insuring Provisions	Accidental Dismemberment and Loss of Sight	Provision is bracketed in its entirety to allow it to move in or out depending on the employer's election and/or plan design. Number of monthly benefit payments are bracketed for ease of revision should industry standards change – numbers shown are the current standard.
71	G 3802.25 GC 382.25	Section 8 – Insuring Provisions	Survivor Benefit	180 days is standard in paragraph entitled “Survivor Benefit,” item 1). The range is 30-270 days. The range in paragraph 2 is 3-6 times. Entire benefit bracketed to move in or out depending on the employer's election and plan design.
			Advanced Survivor Benefit	One or two year options as shown. Range in item 2) of the first paragraph is 30-270 days. All variables and ranges are included and are self-explanatory. Entire benefit bracketed to move in or out depending on the employer's election and plan design.
72	G 3802.26 GC 382.26	Section 8 – Insuring Provisions	Organ Transplant Procedure	Entire provision is bracketed to allow item to move in or out depending on the Policyholder's election and plan design. The standard provision calls for paying the Monthly/Weekly Benefit if a Person is disabled as a result of an Organ Transplant Procedure while insured under the Policy. The Policyholder can also elect to pay an additional benefit of 5%-20%. Item 1) in the third paragraph (“Termination”) would be omitted if the Plan is non-integrated (no offsets) and does not contain Partial Disability. All other variables and ranges are included and are self-explanatory.
73	G 3802.27(09) GC 382.27(09)	Section 9 – Exclusions	General Exclusions	Item 13) would only appear if 24 Hour Coverage was elected by the Policyholder.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
74-75	G 3802.28 G 3802.28/1 GC 382.28 GC 3802.28/1	Section 9 – Exclusions	Pre-Existing Condition Exclusion/Limitation	Policyholder may elect either 1) the “standard” Pre-Existing Condition provision or 2) the “Treatment Free” Pre-Existing Condition provision. A limited percentage benefit is also available and may be offered alone or in conjunction with one of the other options listed above. Only the applicable option(s) will appear in the Policy and Certificate. There is also optional “Prudent Person” language that is bracketed to move in or out of options 1) and 2) depending on the Policyholder’s election, plan design and state law. All variables and ranges within the options are included and are self-explanatory. The entire provision is also bracketed to allow the section to be removed if the Policyholder elects to not have a Pre-Existing Condition provision. The section on.28/1 (page 75) will only appear if the contract is replacing a Prior Plan of Franchise Coverage. The range in item 1) on form .28/1 is 1-90 days with the standard being 30 days.
76	G 3802.29 GC 3802.29	Section 9- Exclusions	Pre-Existing Condition Exclusion on an Increased Monthly/Weekly Benefit or Annual Increase in Benefit	The entire provision is bracketed to allow it to move in or out depending on the Policyholder’s election. This provision will apply to an increase in benefit but will only apply to an Annual Increase in Benefit if the Policyholder elects that option. The exclusion applies to an increase on the Maximum Monthly/Weekly Benefit if the Monthly/Weekly Benefit is a based on a percentage of income or a flat amount. It will apply to the Monthly/Weekly Benefit if this benefit is an incremental benefit. All variables are included and are self-explanatory. Paragraph 2) contains optional “Prudent Person” language.
			Pre-Existing Condition Exclusion on an Increased Benefit When Changing Carriers	The entire provision is bracketed to allow it to move in or out depending on the Policyholder’s election. All variables are included and are self-explanatory. Paragraph 2) contains optional “Prudent Person” language.
			Pre-Existing Condition Exclusion For a Change in Options	The entire provision is bracketed to allow it to move in or out depending on the Policyholder’s election. All variables are included and are self-explanatory. Paragraph 2) contains optional “Prudent Person” language.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
77	G 3802.30 GC 3802.30	Section 10 - Drug and Alcohol Abuse Limitation	Drug and Alcohol Abuse Limitation	Benefit is for 6-24 months. The standard benefit is cumulative for the lifetime of the contract, but this is variable and can be changed if the employer elects. All variables and ranges are included and are self-explanatory. The provision is also bracketed in its entirety to allow it to move in or out depending on the Policyholder's election and plan design.
78-79	G 3802.31 G 3802.31/1 GC 3802.31 GC 3802.31/1	Section 11 - Special Conditions Limitation	Special Conditions Limitation	Benefit is for 6-24 months. All variables and ranges are included and are self-explanatory. The provision is also bracketed in its entirety to allow it to move in or out depending on the Policyholder's election and plan design.
80	G 3802.32 GC 3802.32	Section 12 – Mental Illness Limitation	Mental Illness Limitation	Benefit is for 6-24 months. The standard benefit is cumulative for the lifetime of the contract, but this is variable and can be changed if the employer elects. All variables and ranges are included and are self-explanatory. The provision is also bracketed in its entirety to allow it to move in or out depending on the Policyholder's election and plan design.
81-82	G 3802.33 G 3802.33/1 GC 3802.33 GC 3802.33/1	Section 13 – Continuity of Coverage (Replacing non-Franchise Coverage)	Entire Provision	The entire provision is bracketed to allow it to move in or out depending on the Policyholder's election. All variables are included and are self-explanatory. The second paragraph on page .33/1 would only be included if the Limited Pre-ex Benefit on page .28 is also included. The last paragraph on form.33/1 is bracketed to move in and out. This is being filed in an attempt to alleviate special single/limited group filings and would only appear if it applied to a group and with prior approval from Underwriting.
83	G 3802.33-1 GC 3802.33-1	Section 13 – Continuity of Coverage (Replacing Franchise Coverage)	Entire Provision	The entire provision would only apply if coverage is replacing Franchise Coverage and is bracketed to allow it to move in or out depending on the Policyholder's election. All variables are included and are self-explanatory.
84	G 3802.34 GC 3802.34	Section 14 – Portability Privilege	Entire Provision	The entire provision is bracketed to allow it to move in or out depending on the Policyholder's election. All variables are included and are self-explanatory.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
85	G 3802.35 GC 3802.35	Section 15 – Cost of Living Adjustment Benefit	Entire Provision	The entire provision is bracketed to allow it to move in or out depending on the Policyholder’s election.
			First Paragraph	Bracketed dates are standard and bracketed per company bracketing procedures for numeric fields and/or to allow employer requested, state required or company procedural changes. Benefit may begin after 12-60 months of the Person receiving a benefit. Standards are either 12 or 60 months.
			Second and Third Paragraphs	Two options are shown. Both will print in the Policy but only option elected by the employer will print in the Certificate.
			Fourth Paragraph	Benefit may be based on either the Gross Monthly Benefit or Monthly Benefit for Total Disability, as elected by the Policyholder.
86	G 3802.36 GC 3802.36	Section 16 – Mandatory Rehabilitation Program	Entire Provision	The entire provision is bracketed to allow it to move in or out depending on the Policyholder’s election. If the Policyholder elects the Vocational Rehabilitation Program (Section 16A, Page 87), this provision would not apply.
87	G 3802.36-1 GC 3802.36-1	Section 16A – Vocational Rehabilitation Program	First Four Paragraphs	The first four paragraphs of this provision is the “Plan”. This entire section is bracketed to allow it to move in or out depending on the Policyholder’s election and plan design. If the Policyholder elects the Mandatory Rehabilitation Program (Section 16, page 86), this provision would not apply. The variable language in the third paragraph is self-explanatory.
			Paragraphs Five - Seven	Paragraphs 5-7 comprise an additional Vocational Rehabilitation Benefit that the Policyholder may elect. The percentage range in paragraph 5 is 1%-5% with the standard being 5% and the benefit amount range is \$100-\$1,000 with the standard being \$500.
88	G 3802.37 GC 3802.37	Section 17 – Workplace Modification Benefit	Entire Provision	Second paragraph, item 1) – two times is the standard. The range is 1-4 times. The last paragraph is bracketed to move in or out depending on the Policyholder’s election and plan design. All other variables and ranges are indicated and are self-explanatory. The entire provision is bracketed to allow it to move in or out depending on the Policyholder’s election and plan design.

PAGE NUMBER(S)	FORM NUMBER(S)	SECTION TITLE	PROVISION/ DESCRIPTION	BRACKET EXPLANATION/VARIABLES
89	G 3802.38 GC 3802.38	Section 18 – Family Care Benefit	Entire Provision	The entire provision is bracketed to allow it to move in or out depending on the Policyholder’s election. Item 2) in the last paragraph (Terminations) would not appear if the plan was non-integrated (no offsets). All other variables and ranges are included and are self-explanatory.
90	G 3802.39 GC 3802.39	Section 19 – Supplemental Disability Benefit	Entire Provision	The entire provision is bracketed to allow it to move in or out depending on the Policyholder’s election. All variables and ranges are included and are self-explanatory.
91	G 3802.40 GC 3802.40	Section 20 – Education Expense Benefit	Entire Provision	The entire provision is bracketed to allow it to move in or out depending on the Policyholder’s election. All variables and ranges are included and are self-explanatory.
92	G 3802.41 GC 3802.41	Section 21 – 401(k), 403(b) or 457 Contribution Benefit	Entire Provision	Paragraphs 2 and 3 contain two different qualifying variables for this benefit with the difference being in the third paragraph the Person is required to have been insured under the Policy for at least 3-12 months prior to Disability and Disabled for 3-12 months following the Elimination Period while in the second paragraph the Person must be receiving a Monthly Benefit and also be a participant in the 401(k), 403(b) or 457 plan for at least 3 months prior to his Disability. All variables and ranges are included and are self-explanatory.
93	G 3802.42 GC 3802.42	Section 22 – Cobra Premium Disability Benefit	Entire Provision	The entire provision is bracketed to allow it to move in or out depending on the Policyholder’s election. All variables and ranges are included and are self-explanatory.
94-97	G 3802.43 G 3802.43/1 G 3802.43/2 G 3802.43/3 GC 3802.43 GC 3802.43/1 GC 3802.43/2 GC 3802.43/3	Section 23 – Spouse Disability Benefit	Entire Provision	The entire provision is bracketed to allow it to move in or out depending on the Policyholder’s election.
			Domestic Partner	Definition is bracketed to allow for state specific language and also to allow for changes should state law requirements change.
			Benefit Amount	The benefit amount ranges from \$1,000-\$5,000 per month.
			Pre-Existing Condition Exclusion	The options listed here align with the options listed in Section 9 – Exclusions for the Employee. Both a “standard” and a “Treatment Free” option are included, as well as the optional “Prudent Person” language. All variables are included and are self-explanatory.

**DISTRICT OF COLUMBIA FORMS LIST
GROUP DIRECT WORKSITE DISABILITY CONTRACT**

POLICY FORM NUMBER G 3802	DESCRIPTION	CERTIFICATE FORM NUMBER GC 3802
G 3802	Title Page	GC 3802
N/A	Title Page (No Name)	GC 3802NN
G 3802.1	Table Of Contents	GC 3802.1
G 3802.2	Section 1 - Schedule of Benefits	GC 3802.2
G 3802.3	Section 2 - Definitions	GC 3802.3
G 3802.3/1	Section 2 - Definitions	GC 3802.3/1
G 3802.3/2	Section 2 - Definitions	GC 3802.3/2
G 3802.3/3	Section 2 - Definitions	GC 3802.3/3
G 3802.3/4	Section 2 - Definitions	GC 3802.3/4
G 3802.3/5	Section 2 - Definitions	GC 3802.3/5
G 3802.3/6	Section 2 - Definitions	GC 3802.3/6
G 3802.3/7	Section 2 - Definitions	GC 3802.3/7
G 3802.3/8	Section 2 - Definitions	GC 3802.3/8
G 3802.3/9	Section 2 - Definitions	GC 3802.3/9
G 3802.3/10	Section 2 - Definitions	GC 3802.3/10
G 3802.3/11	Section 2 - Definitions	GC 3802.3/11
G 3802.3/12(09)	Section 2 - Definitions [DC]	GC 3802.3/12(09)
G 3802.3/13	Section 2 - Definitions	GC 3802.3/13
G 3802.4	Section 3 - Eligibility, Enrollment, and Individual Effective Date	GC 3802.4
G 3802.4/1	Section 3 - Eligibility, Enrollment, and Individual Effective Date	GC 3802.4/1
G 3802.5	Section 3 - Eligibility, Enrollment, and Individual Effective Date	GC 3802.5
G 3802.5/1	Section 3 - Eligibility, Enrollment, and Individual Effective Date	GC 3802.5/1
G 3802.6	Section 4 - Changes in Insurance	GC 3802.6
G 3802.6/1	Section 4 - Changes in Insurance	GC 3802.6/1
G 3802.6-1	Section 4 - Changes in Insurance	GC 3802.6-1
G 3802.6-1/1	Section 4 - Changes in Insurance	GC 3802.6-1/1
G 3802.7	Section 4 - Changes in Insurance	GC 3802.7
G 3802.8	Section 4 - Changes in Insurance	GC 3802.8
G 3802.8/1	Section 4 - Changes in Insurance	GC 3802.8/1
G 3802.9	Section 4 - Changes in Insurance	GC 3802.9
G 3802.10	Section 5 - Terminations	GC 3802.10
G 3802.10/1	Section 5 - Terminations	GC 3802.10/1
G 3802.11	Section 5 - Terminations	GC 3802.11
G 3802.12	Section 5A - Individual Reinstatement	GC 3802.12
G 3802.12/1	Section 5A - Individual Reinstatement	GC 3802.12/1
G 3802.13	Section 5B - Continuation of Personal Insurance Under FMLA	GC 3802.13
G 3802.13-1	Section 5C - Continuation of Personal Insurance During a Leave of Absence, Sabbatical and Temporary Layoff	GC 3802.13-1
G 3802.13-1/1	Section 5C - Continuation of Personal Insurance During a Leave of Absence, Sabbatical and Temporary Layoff	GC 3802.13-1/1

**DISTRICT OF COLUMBIA FORMS LIST
GROUP DIRECT WORKSITE DISABILITY CONTRACT**

POLICY FORM NUMBER G 3802	DESCRIPTION	CERTIFICATE FORM NUMBER GC 3802
G 3802.13-2	Section 5D - Continuation of Personal Insurance During a Leave of Absence for Active Military Service	GC 3802.13-2
G 3802.14	Section 6 – Premium Payment	GC 3802.14
G 3802.15	Section 7 - General Policy Provisions	GC 3802.15
G 3802.15/1(09)	Section 7 - General Policy Provisions [DC]	GC 3802.15/1(09)
G 3802.15/2	Section 7 - General Policy Provisions	GC 3802.15/2
G 3802.16	Section 7A - Claim Procedures	GC 3802.16
G 3802.16/1	Section 7A - Claim Procedures	GC 3802.16/1
G 3802.16/2(09)	Section 7A - Claim Procedures	GC 3802.16/2(09)
G 3802.16/3(09)	Section 7A - Claim Procedures [DC]	GC 3802.16/3(09)
G 3802.17	Section 8 - Insuring Provisions	GC 3802.17
G 3802.17/1	Section 8 - Insuring Provisions	GC 3802.17/1
G 3802.18	Section 8 - Insuring Provisions	GC 3802.18
G 3802.19	Section 8 - Insuring Provisions	GC 3802.19
G 3802.20	Section 8 - Insuring Provisions	GC 3802.20
G 3802.21	Section 8 - Insuring Provisions	GC 3802.21
G 3802.22	Section 8 - Insuring Provisions	GC 3802.22
G 3802.23	Section 8 - Insuring Provisions	GC 3802.23
G 3802.23/1	Section 8 - Insuring Provisions	GC 3802.23/1
G 3802.24	Section 8 - Insuring Provisions	GC 3802.24
G 3802.25	Section 8 - Insuring Provisions	GC 3802.25
G 3802.26	Section 8 - Insuring Provisions	GC 3802.26
G 3802.27(09)	Section 9 - Exclusions	GC 3802.27(09)
G 3802.28	Section 9 - Exclusions	GC 3802.28
G 3802.28/1	Section 9 - Exclusions	GC 3802.28/1
G 3802.29	Section 9 - Exclusions	GC 3802.29
G 3802.30	Section 10 – Drug and Alcohol Abuse Limitation	GC 3802.30
G 3802.31	Section 11 – Special Conditions Limitation	GC 3802.31
G 3802.31/1	Section 11 – Special Conditions Limitation	GC 3802.31/1
G 3802.32	Section 12 – Mental Illness Limitation	GC 3802.32
G 3802.33	Section 13 - Continuity of Coverage	GC 3802.33
G 3802.33/1	Section 13 - Continuity of Coverage	GC 3802.33/1
G 3802.33-1	Section 13 - Continuity of Coverage	GC 3802.33-1
G 3802.34	Section 14 - Portability Privilege	GC 3802.34
G 3802.35	Section 15 – Cost of Living Adjustment Benefit	GC 3802.35
G 3802.36	Section 16 – Mandatory Rehabilitation Program	GC 3802.36
G 3802.36-1	Section 16A – Vocational Rehabilitation Program	GC 3802.36-1
G 3802.37	Section 17 – Workplace Modification Benefit	GC 3802.37
G 3802.38	Section 18 – Family Care Benefit	GC 3802.38
G 3802.39	Section 19 – Supplemental Disability Benefit	GC 3802.39
G 3802.40	Section 20 – Education Expense Benefit	GC 3802.40
G 3802.41	Section 21 – 401(k), 403(b) or 457 Contribution Benefit	GC 3802.41
G 3802.42	Section 22 – Cobra Premium Disability Benefit	GC 3802.42
G 3802.43	Section 23 – Spouse Disability Benefit	GC 3802.43

**DISTRICT OF COLUMBIA FORMS LIST
GROUP DIRECT WORKSITE DISABILITY CONTRACT**

POLICY FORM NUMBER G 3802	DESCRIPTION	CERTIFICATE FORM NUMBER GC 3802
G 3802.43/1	Section 23 – Spouse Disability Benefit	GC 3802.43/1
G 3802.43/2(09)	Section 23 – Spouse Disability Benefit	GC 3802.43/2(09)
G 3802.43/3	Section 23 – Spouse Disability Benefit	GC 3802.43/3

American United Life Insurance Company
A OneAmerica Financial Partner
Indianapolis, IN
Group Worksite Disability (G3802 and GC3802)
Actuarial Memorandum

Purpose

This actuarial memorandum has been prepared to support the new form filing for our Group Worksite Disability product. The purpose of this rate filing is to demonstrate these rates are in compliance with regulatory authority. It may not be appropriate for other purposes.

Benefit Summary

This policy form provides both short-term and long-term income replacement benefits for salary loss due to disability from accident or sickness. Benefits are calculated as a percent of salary subject to a maximum benefit amount that is based upon the highest earners in the policyholder group. Flat amounts are also available, subject to a maximum based on the insured's salary. Typically these disability benefits are integrated with other income benefits such as Social Security, Workers Compensation or Statutory Disability benefits. The application of benefit integration helps to reduce costs and ensure total paid benefits from all sources provides a reasonable replacement of lost income.

This policy makes available all of the standard plan options found in the Group STD and LTD marketplace. Some less common benefits are also available including a Special Conditions Limitation and a Supplemental Disability Benefit. Policies are issued to our customers on an optionally renewable basis with premium rates typically guaranteed for the first two years. Coverage is provided to all employees regardless of age provided they meet the eligibility requirements under the group policy.

Morbidity

The 1987 CGDT table with adjustments made to this table based upon company or industry experience.

Persistency

Persistency is not a significant factor with this product since it is rated on a YRT basis.

Interest Rate Assumptions

The pricing interest rate assumption used is 5.00%. The assumption is below our current asset portfolio rate and reflective of our long-term expectation on interest rates.

Premium Calculation

Premium rates are calculated for each group policyholder based upon the plan of benefits, demographic composition of the employee group and characteristics of the group policyholder. Attained age rating bands are most commonly used for this product.

Average Annual Premium

The average annual premium per employee is expected to remain the same as our Voluntary Disability Product already on file. For short-term disability, this is \$346. For long-term disability, this is \$319.

Marketing Method

This product is marketed, primarily to employer groups, by captive agents and independent brokers working with AUL's group sales representatives.

Underwriting

Case-level underwriting will be done in general accordance with standard group underwriting practices. A vast majority of certificates are issued on a guaranteed basis. Medical underwriting applies only in instances such as small groups (less than 25 lives), late enrollees, or for coverage amounts in excess of the guarantee issue limit, which varies by group. These practices are common in the group insurance industry and are used to spread risk and control selection. No explicit claim cost decrease is associated with this underwriting.

Premium Classes

There are no premium classes for this product.

American United Life Insurance Company
A OneAmerica Financial Partner
Indianapolis, IN
Group Worksite Disability (G3802 and GC3802)
Actuarial Memorandum

Issue Age Range

It is expected that most insureds will be between ages 19-70.

Expense Breakdown

This product is priced to produce the following block average expenses, profit margin, and tolerable loss ratio (TLR) as a percent of premium:

Commissions and Overrides	18%
Taxes, Licenses, and Fees	3%
Other Non-Commission Expenses	16%
<u>Profit Margin</u>	<u>3%</u>
Total Expenses and Profit	40%
 TLR	 60%

Certification

I certify that to the best of my knowledge and judgment, this rate filing is in compliance with the applicable laws of your state and complies with Actuarial Standard of Practice No. 8. The benefits provided under this product form are deemed to be reasonable in relation to the premiums charged.

The rates as filed are anticipated to produce a loss ratio of not less than 60% as measured using statutory assumptions.



Kathy Davis, FSA, MAAA
Sr. Associate Actuary
American United Life, a OneAmerica Financial Partner

September 1, 2015

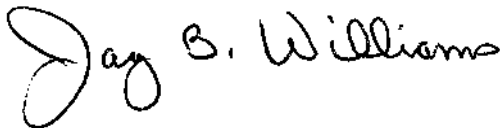
CERTIFICATE OF READABILITY

State of District of Columbia

I, Jay B. Williams, Vice President and Director of Compliance, officer of the AMERICAN UNITED LIFE INSURANCE COMPANY, hereby certify that the following forms have the following readability scores as calculated by the Flesch Reading Ease Test and that these forms meet the reading ease requirements of District of Columbia's Statutes and Regulations.

<u>FORMS</u>	<u>READABILITY SCORE</u>
G 3802	50.2
GC 3802	50.2

AMERICAN UNITED LIFE INSURANCE COMPANY fi



Jay B. Williams

Vice President and Director of Compliance

Date: September 4, 2015